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Opening shots in a messy campaign
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TOMORROW'S **Weekend FT**
The Future of Auschwitz

FINANCIAL TIMES

Europe's Business Newspaper | FRIDAY FEBRUARY 4 1994 | D8523A

Pratt & Whitney wins $400m order from JAL

Pratt & Whitney of the US clinched a $400m engine order to power Japan Airlines' fleet of new Boeing 777 wide-bodied aircraft against fierce competition from US rival General Electric and from Rolls-Royce of the UK. P&W, a subsidiary of the United Technologies conglomerate, said the competition for the JAL order had been "a nail-biter", although the US company had been the favourite to win. Page 16

Brussels backs off: The European Commission is watering down its proposal for mandatory elected works councils in pan-European companies, in an effort to garner business support. Page 16

Striking fishermen ransack Paris market:

Hundreds of striking Breton fishermen ransacked Paris's Rungis wholesale fish market, injuring 18 policemen and ruining about 60 tonnes of fish. They were driving home demands for government protection from cheap imports. Wielding sticks and firing flares, they burst through a police cordon, smashed crates of fish and overturned several police cars. In the northern France, protesters blockaded Calais harbour with trawlers, disrupting ferry services to Britain. Page 26

Ukraine votes on arms: Ukraine's parliament agreed to remove all conditions to ratification of the Start-1 arms agreement but refused to vote on whether to join the Non-Proliferation Treaty as a non-nuclear state. Page 3

Paribas recovery continues: The big French banking group boosted estimated net profits by *58 per cent to FFr1.4bn ($230m). Chairman* André Lévy-Lang, forecast another profit increase this year. Page 17

Interims up at News Corp: News Corporation, Rupert Murdoch's media, film and publishing group, improved interim profits by 27.5 per cent to A$624.9m ($450m) after tax but before abnormal items. The figures were helped by higher earnings from Ansett Airlines and the BSkyB satellite broadcaster. Page 17

Court rules on border: The International Court of Justice in The Hague ruled in Chad's favour in a 20-year border dispute with Libya which has caused two wars. Libya had claimed a big area thought to contain oil and uranium.

War crimes trials ruled out: A Lithuanian branded a mass murderer by a judge is to escape prosecution after officials said that there was insufficient evidence to bring to trial any alleged war criminals now living in Scotland. The most prominent was Anthony Gecas, 78, a naturalised Briton of Lithuanian extraction.

Kidnapper captured: Russian security forces at Rostov-on-Don airport disarmed and captured a man who seized three adults and two children at a kindergarden and demanded to fly abroad. The hostages were seized early in the day from *a town over the border in Ukraine.*

Bid to halt musical launch: The UK attorney-general is to seek an injunction to halt the opening of *Maxwell: The Musical*, the London show chronicling the life and times of Robert Maxwell. He fears that the musical might prejudice the criminal trial of the late publisher's sons, Kevin and Ian. Page 6

CS First Boston, the London-based investment bank, and Cazenove, the London stockbroker are announcing a $200m investment fund for buying shares in the Czech Republic, Poland and Hungary. Page 16

New move on Ulster: The protestant Ulster Unionist party plans to publish its proposals for a new political settlement in Northern Ireland. Meanwhile UK prime minister John Major stressed his determination to press on with talks – a move designed to regain the initiative from Sinn Féin after this week's US visit by Gerry Adams. Page 6

Profitable partnerships: London accountancy firm George & Co has launched a dating agency for accountants because others tend to write them off as boring. Page 6

■ STOCK MARKET INDICES

FT-SE 100:	3,491.5	(-28.8)
Yield	3.37	
FT-SE Eurotrack 100	1,527.17	(-12.96)
FT-SE-A All-Share	1,754.48	(-0.5%)
Nikkei	20,174.82	(-75.21)
New York: lunchtime		
Dow Jones Ind Ave	3,955.28	(-20.26)
S&P Composite	479.22	(-2.78)

■ US LUNCHTIME RATES

Federal Funds:	3⅛%
3-mo Treas Bills: Yld	3.188%
Long Bond	98⅔
Yield	6.325%

■ LONDON MONEY

3-mo Interbank	5 13/32%	(5⅛%)
Liffe long gilt future:	Mar 117 21/32	(Mar 118 1/32)

■ NORTH SEA OIL (Argus)

Brent 15-day (Mar)	$14.855	(14.63)

■ Gold

New York Comex (Feb)	$387.3	(384.7)
London	$386.5	(384.6)

■ STERLING

New York lunchtime:		
$	1.4865	
London:		
$	1.498	(1.495)
DM	2.5937	(2.5928)
FFr	8.8038	(8.8026)
SFr	2.1661	(2.173)
Y	161.852	(161.535)
£ Index	81.9	(82.0)

■ DOLLAR

New York lunchtime:		
DM	1.742	
FFr	5.9095	
SFr	1.452	
Y	108.35	
London:		
DM	1.7314	(1.7343)
FFr	5.877	(5.888)
SFr	1.446	(1.4535)
Y	108.045	(108.05)
$ Index	66.7	(66.8)

Tokyo close Y 108.28

Austria	Sch32	Greece	Dr350	Lux	LFr65	Qatar	QR13.00
Bahrain	Din1.250	Hong Kong	HK$18	Malta	Lm0.60	S.Arabia	SR11
Belgium	BFr65	Hungary	Ft185	Morocco	MDh15	Singapore	S$4.30
Bulgaria	Lv25.00	Iceland	IKr215	Neth	Fl 4.00	Slovak Rp	KS50
Cyprus	C£1.10	India	Rs60	Nigeria	Naira50	South Africa	R12.00
Czech Rp	CZK50	Israel	Shk8.30	Norway	NKr17.00	Spain	Pta225
Denmark	DKr16	Italy	L3000	Oman	OR1.50	Sweden	SKr16
Egypt	E£5.00	Japan	Y500	Pakistan	Rs40	Switz	SFr3.30
Finland	FM14	Jordan	JD1.50	Philippines	Peso50	Syria	S£50.00
France	FFr13.00	Kuwait	Fils625	Poland	Zl32,000	Tunisia	Din1.500
Germany	DM3.50	Lebanon	US$1.50	Portugal	Esc225	Turkey	L13000
						UAE	Dh12.00

Surge in German M3 damps hopes of rate cuts

By David Waller in Frankfurt

German money supply rose at an unexpectedly high rate in December as large inflows of cash from outside the country were accompanied by a surge in domestic lending, the Bundesbank said yesterday.

The announcement jolted the bond market and reduced hopes that the German central bank would soon move to reduce the discount and Lombard rates. They have stood at 5.75 and 6.75 per cent since last October. Financial markets were prepared for a high figure but the 8.1 per cent increase in M3 was much greater than expected. M3 measures broad money on which the Bundesbank relies on for its estimates of inflationary developments. The figure was considerably higher than the 7.2 per cent growth in November and well above the 4.5-6.5 per cent growth target for last year.

The figures mean M3 growth, on an annualised, seasonally adjusted basis, has exceeded the target range for three years in a row. There was disappointment that the Bundesbank did not cut interest rates after yesterday's meeting of its policymaking council and there was a strong sell-off in the bond market. Yields on five-year government bonds climbed by 6 basis points to 5.17 per cent.

Mr Peter Lang, economist at Bayerische Vereinsbank in Munich, said the M3 growth would "reinforce the Bundesbank's caution in bringing down interest rates", but another economist, playing down the figures, said: "What the Bundesbank really looks at is inflation and that is coming down sharply."

The Bundesbank said the exceptional factors which had led to the sharp rise in December had already been partly reversed in January. It blamed what it called the extraordinarily high increase in M3 on two chief factors – a surge in domestic bank lending and the influx of DM59.2bn ($34.2bn) into the German banking system in December.

The capital influx exceeded that of September 1992, when DM42.7bn flowed into Germany amid currency market turmoil. The Bundesbank said this movement was attributable to tax changes which made it attractive for individuals to repatriate investments in Luxembourg to Germany, coupled with the impact of the repatriation of corporate deposits from the Euromarket.

Domestic lending rose 10.3 per cent, due mainly to a surge in mortgage borrowing. The Bundesbank said this was due to the fact that tax relief on mortgages became less favourable at the year-end and there had been a rush to

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Walk-out threat by coalition partner may delay $134bn economic stimulus package

Hosokawa forced to rethink on growth plan

Associated Press

Sadao Yamahana, one of six Social Democratic cabinet ministers, is surrounded by reporters as he arrives for talks with Mr Hosokawa

By William Dawkins in Tokyo

Japan's prime minister, Mr Morihiro Hosokawa, was yesterday forced to rethink sweeping plans for tax reform and delay a Y15,100bn ($134bn) economic stimulus package.

Mr Hosokawa was last night struggling to hold together his seven-party coalition together after its largest member, the Social Democratic party, threatened to walk out in protest at his plans to raise sales tax.

Early yesterday a triumphant Mr Hosokawa unveiled proposals for an income tax cut worth Y18,000bn over the next three years, to be funded by a 7 per cent "people's welfare tax" to replace the present 3 per cent sales tax in 1997.

The socialist SDP, elected on a promise not to raise sales tax, protested that it had not been *properly consulted. Disquiet* unexpectedly spread to other coalition members, including one of Mr Hosokawa's closest allies, Mr Masayoshi Takemura, chief cabinet secretary, who also threatened to resign if the SDP were not offered a satisfactory compromise.

Mr Hosokawa was last night meeting his coalition partners to try to find a compromise. The SDP asked for the 7 per cent rate to be suspended – although it does not take effect for three years – while a consultative body debated a new rate. It also wants a promise to spend all the extra revenue on welfare, initially rejected by Mr Hosokawa.

Hosokawa plan ....Page 4
Editorial Comment ....Page 15

Political analysts believed a compromise would be found, but warned that the political turmoil might hamper Mr Hosokawa's hopes of persuading the US of his government's determination to stimulate economic demand.

Details of the Y15,100bn package were released after a meeting between Mr Hosokawa and Mr Yohei Kono, president of the opposition Liberal Democratic party, which has started to co-operate with the coalition since last week's compromise on political reform.

However, it cannot be adopted by cabinet and forwarded to parliament until the row over tax has been settled.

The package, *slightly larger* than expected, includes Y6,000bn of annual tax cuts, most of which affect income and residence tax. There is another Y9,100bn of government spending and loans, which includes Y2,900bn of public works and Y2,800bn of land purchases.

The tax cuts are worth 1.2 per cent of gross national product, which would be roughly rebalanced by the proposed sales tax rise, said Mr Tom Hill, strategist at S.G. Warburg Securities in Tokyo. He believed the reduction would be just sufficient to provoke a rise in consumption, although the equation was finely balanced.

Audi chief to be forced to quit

By Christopher Parkes in Frankfurt

The chairman of Volkswagen's up-market Audi subsidiary, Mr Franz-Josef Kortüm, is expected to be forced to resign today after *only 13 months in the job.*

The 43-year-old marketing specialist has clashed on several occasions with his predecessor, Mr Ferdinand Piëch, the controversial VW group chairman.

His place is expected to be filled by Mr Herbert Demel, development chief, who will act as "spokesman" for the Audi board, but not as chairman. This is likely to lead to more direct control by Mr Piëch.

Mr Kortüm's removal may also lead to further turmoil in the VW group, already racked by unexpected losses last year of DM2.3bn ($1.3bn), and striving to reach break-even in 1994.

Meanwhile suspicions of theft and industrial espionage in the wake of the appointment of General Motors' former global purchasing chief, Mr José Ignacio López de Arriortúa, who joined last March, remain.

Mr Kortüm's first set-to with *Mr Piëch occurred before his* appointment, when he rejected the "spokesman" role and insisted on taking full control.

The conflict now leading to his downfall has focused on the autocratic group chairman's demands that Audi, which made a pre-tax loss of more than DM200m in 1993, must be turned round this year.

Mr Kortüm has frequently appeared unwilling to bend to his chief, who has swept away swathes of the old VW manage*ment within his first year.*

The most recent departure was that of Mr Juan Antonio Díaz Alvarez, chairman of the Spanish subsidiary, Seat, who was sacked last September.

Mr Piëch last month accused Mr Díaz of deception over Seat's DM1.4bn losses in 1993, and warned of possible "penal consequences".

Others to go included Mr Daniel Goedevert, the respected VW group deputy chairman, replaced by Mr López.

The group purchasing chief was replaced by Mr José Manuel Gutierrez, formerly Mr López's closest associate at GM.

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More boardroom upheaval at VW, Page 18

Top Italian intelligence official to face charges of Mafia links

By Robert Graham in Rome

The Palermo public prosecutor has asked for Mr Bruno Contrada, the former number three in Italy's domestic intelligence service, to be sent for trial on charges of having links with the Mafia.

Mr Contrada, in charge of all intelligence matters relating to the Mafia, was arrested on December 24 1992. Since then the Palermo authorities have turned down all requests for him to be released on bail.

Mr Contrada is the most senior public official to be arrested on charges of working with Cosa Nostra, the umbrella organisation of the Sicilian Mafia. His arrest was a direct result of information provided by four of the top former members of Cosa Nostra who agreed to co-operate with the authorities – so-called *pentiti*.

Palermo magistrates regard a successful prosecution of the Contrada case as central to the credibility of the *pentiti*. The latter have become a key instrument in the Italian state's fight against organised crime and almost 500 are now giving evidence under witness protection programmes. Their evidence has played an important part in the move by Palermo magistrates to incriminate former premier Mr Giulio Andreotti over alleged links with the Mafia.

Mr Contrada is alleged to have passed on sensitive information to Cosa Nostra. In particular, he is said to have aided Mr Toto Riina, the boss of Cosa Nostra, captured in January 1993, to avoid arrest. Throughout his detention Mr Contrada has protested his innocence.

The request to send him for trial came a day after Palermo magistrates issued 76 arrest warrants in an operation aimed at breaking up the links between Cosa Nostra and their civilian support networks. The arrests, based on information supplied by *pentiti*, included doctors, lawyers and bank employees.

In neighbouring Calabria, the first of a 1,350 military contingent arrived yesterday to boost the security forces in their fight against the local mafia, the 'ndrangheta. On Monday two officers in the Carabinieri para-military police were seriously injured in Reggio Calabria in what the authorities claim was an assassination attempt by 'ndrangheta gunmen.

The weapon used was identified as the same employed against two Carabinieri who were killed two weeks ago near Reggio Calabria.

These attacks are seen as a violent reply by the 'ndrangheta to increasing police successes against organised crime in the region. But the timing appears linked to the approaching campaign for general elections.

Bossi's League ponders alliance with Berlusconi, Page 2

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Rexrodt hammered by the steelmakers

By Ariane Genillard in Bonn

The German steel federation yesterday set tough conditions for its backing of a European steel restructuring plan in a meeting with Mr Günter Rexrodt, the economics minister.

The conditions included guarantees that steelmakers receiving subsidies to cut capacity would not be able to increase their shares in the European steel market and that the agreement would be properly monitored.

"We remain ready to contribute to the European steel restructuring plan. But politicians must ensure these decisive conditions," the federation said in a statement after the meeting.

The federation also insisted that the European steel restructuring scheme "had not failed yet", but added that the plan "remained in danger of failing".

It appeared eager to tone down pessimistic statements voiced across the industry, saying that the European steel restructuring plan was doomed because private steelmakers were not willing to offer significant capacity cuts. The European Union plan aims to cut 30m tonnes of crude steel in the European market.

However, sources in the German steel industry yesterday said that these conditions were unlikely to be met and that the federation was indulging in "wishful thinking".

Officials at Thyssen Stahl, Germany's largest steel producer, yesterday reiterated that they would not offer any capacity cuts in flat steel products. "We will never give up flat products capacity," a senior official at the company said.

Industry sources said no common position had been reached between the big unsubsidised German producers, which include Krupp-Hoesch and Preussag.

"We still need to talk to one another and it is too early to say what will come out of these talks," a leading steel manufacturer said.

Private steelmakers say that they have already implemented large capacity cuts.

They say capacity cuts in public sector manufacturers do not go far enough and are allowing subsidised companies to win market shares at the expense of the private sector.

Parliament maps out a cheaper route to Berlin

Plans for rebuilding Berlin as the capital of a united Germany have been sharply curtailed by the parliament's budget committee, Reuter reports from Bonn.

The budget committee of parliament agreed on Wednesday evening that all ministries should be housed in existing buildings, either former East German ministries or military headquarters left behind by departing Allied forces.

Only the new chancellery and government press office due to be constructed near the old Reichstag parliament building were not mentioned in the resolution, implying they would be built, committee members said.

Parliament voted in 1991 to move the government from Bonn to Berlin and has since been mired in debate over how and when to do it. The current target date for the move is the year 2000. Chancellor Helmut Kohl's centre-right coalition, trying to reduce spending, has said the move should not cost more than DM20bn ($11.4bn).

After unification in 1990 many Bonn cabinet ministers made quick "house-hunting" trips to Berlin, after which they declared they needed new ministry buildings because the old East German offices were hopelessly outdated.

The Foreign Ministry firmly opposed moving into East Germany's foreign ministry, an ugly 1970s high-rise building that mars the otherwise classical centre of old Berlin.

Several ministries balked at the idea of taking over the squat building that once housed the Third Reich's central bank and became the Communist party headquarters after the war.

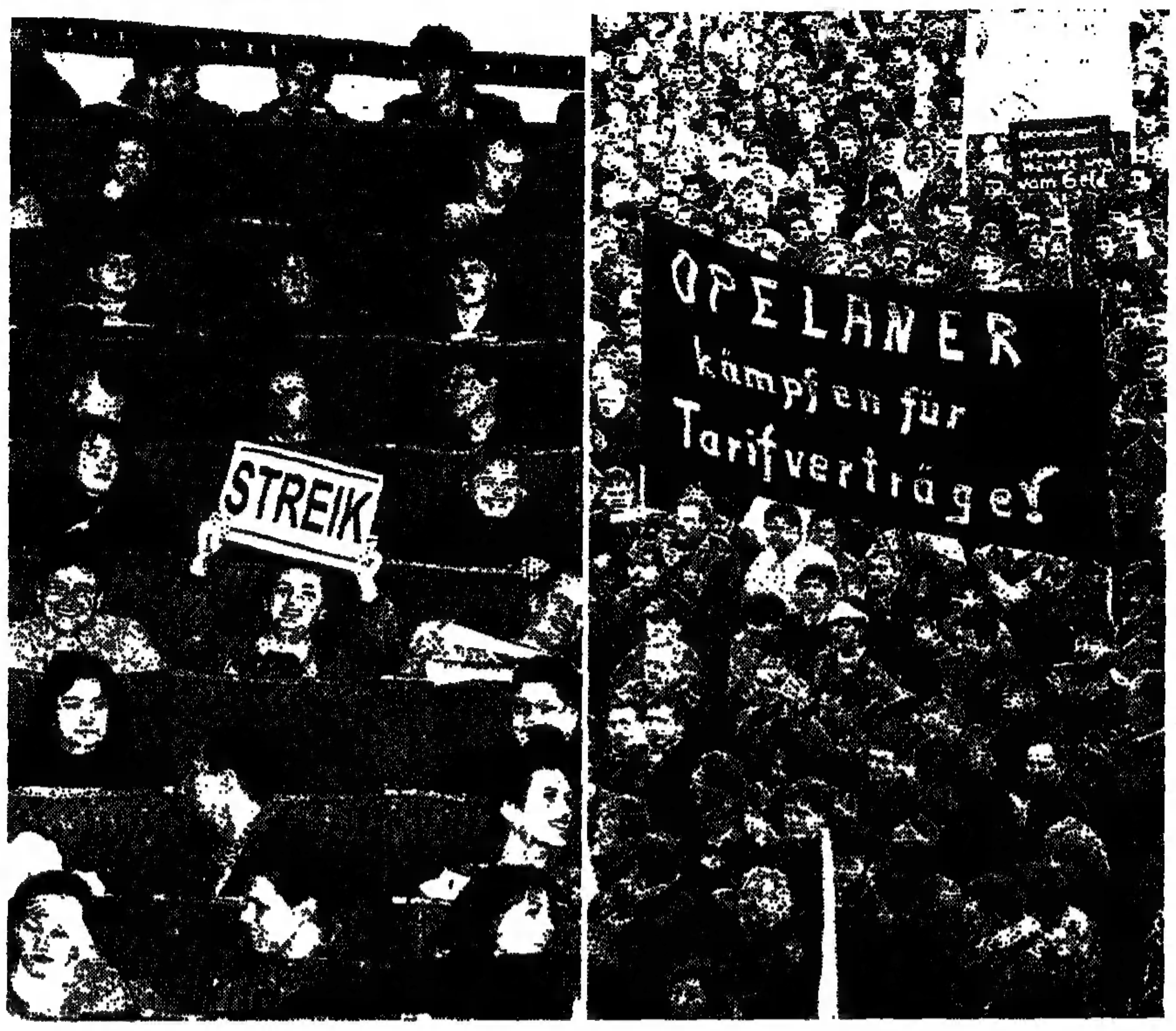
But the committee, whose recommendations must still be debated in parliament, said Berlin had so many large buildings – some dating back to its time as the capital of Prussia – that the present government could certainly find enough space.

The British, French and US forces that once defended West Berlin will leave the city by the end of this year, freeing a large number of barracks, office buildings and commandants' villas for government use.

Union membership in Germany fell again last year, with members grouped under the German federation of unions down by 6.3 per cent, to 10.3m, Reuter reports from Düsseldorf.

The metal and engineering workers union, IG Metall, suffered the largest fall in absolute terms, with 247,845 or 7.3 per cent fewer members in 1993. In percentage terms the gardening, agriculture and forestry union was worst hit with membership down 13.9 per cent.

Germans down books and tools



AP/Reuter

German students protesting at Magdeburg university and Opel workers marching during a work stoppage in Bochum yesterday

Students and IG Metall protest

By Quentin Peel in Bonn

Token strikes by tens of thousands of German engineering workers spread across northern Germany yesterday, in a fourth day of protests in support of their pay claim.

At the same time, thousands of students continued protest actions against the government's decision to impose a freeze on their grants until 1996, instead of increasing them annually by the inflation rate, and to introduce limits on the length of time they can receive public finance for their studies. The action by the engineering workers, members of the IG Metall trade union, was centred on the industrial heartland of North Rhine-Westphalia and north Germany.

Among the enterprises which suffered work stoppages were the Ford and Opel car plants in Cologne and Bochum.

Both union leaders and the employers expect negotiations on the union's 5.5 per cent pay claim to begin again next week, although the employers remain adamant that real cost cuts must be achieved in the current pay round.

The students yesterday won support from the opposition Social Democratic party (SPD) in Bonn, which promised to introduce a proposal in the Bundesrat, the upper house of parliament, for grants to be increased after all.

● Mr Rainer Ortleb, the federal minister of education, resigned his post yesterday on the grounds of ill-health.

An east German from the state of Mecklenburg-Vorpommern, and member of the minority Free Democratic Party in the ruling coalition, he had been ill since last November.

EU to pressure US on Bosnia

By Robert Mauthner, Diplomatic Editor

Members of the European Union are expected to urge the US to take a more active part in the Bosnian peace process when the foreign ministers of the Twelve meet in Brussels next Monday.

The French and the British have already done so during direct talks between their foreign ministers, Mr Alain Juppé and Mr Douglas Hurd, over the past week. Yesterday, their Dutch colleague, Mr Pieter Kooijmans, also said he had written a letter in the same vein to Mr Warren Christopher, US secretary of state.

Mr Kooijmans said on Dutch television that he had told Mr Christopher: "Play a more active role in the peace talks in view of the terrible alternative – a war which will demand more victims."

Mr Hurd, who gave a very similar message to Mr Christopher during his talks in Washington last Tuesday, did not, however, go as far as the French, who irritated the Americans by calling upon them to put pressure on the Moslems to accept the present peace plan dividing Bosnia into three ethnic states.

In the knowledge that such a demand would be flatly rejected by the US administration, Mr Hurd merely made clear that Britain wanted the US to be "up front" in the peace process, since that would hasten the day when a settlement was reached, according to officials in London.

However, Mr Christopher apparently declined to spell out the conditions under which the US was prepared to take a more active role.

The continued presence of United Nations peacekeeping troops in Bosnia now appears to be assured, following consultations between the main contributing countries such as Britain, France, Canada, Spain and Russia.

All the troop contributors agree that a decision should be taken jointly by them, before the end of March, on the basis of reports by the UN, its special representative in former Yugoslavia and its new military commanders on the spot.

Mr Hurd is understood to consider it most unlikely that there will be a simple decision to withdraw, since the war would then become even more savage than it already is and the effect on the very people the UN was trying to help would be catastrophic.

Meanwhile, the new "hard-line, hard-nosed" policy of the recently appointed UN military commander in Bosnia, Britain's General Sir Michael Rose, has achieved its first positive results.

Bosnian Serb militia backed down after UN troops threatened yesterday to send in armoured vehicles to clear a blocked checkpoint 15 miles west of Sarajevo.

NEWS IN BRIEF

Malta urges early talks on EU entry

Malta yesterday called for an "immediate" start of accession negotiations to join the European Union, arguing that it would shortly overcome the final economic obstacles to entry, Lionel Barber reports from Brussels.

Dr Eddie Fenech Adami, the Maltese prime minister, said in Brussels that his government would "in a matter of weeks" meet the European Commission's requirements for regulatory reforms in financial services, competition and consumer protection.

The Maltese declaration puts the European Commission and the 12 EU member states on the spot. Though sympathetic towards Malta's application, sentiment has leaned toward a delay until the end of enlargement negotiations with Finland, Austria, Sweden and Norway. But Dr Fenech Adami said Malta intended to ensure the Commission stuck to the conditions set down on its generally favourable opinion on EU membership issued last year.

Polish parties meet on crisis

Poland's two-party coalition was due to meet last night to try to resolve its most serious crisis since taking power last autumn, writes Christopher Bobinski from Warsaw. Mr Waldemar Pawlak, the prime minister, last week dismissed Mr Stefan Kawalec, a deputy minister, against the wishes of Mr Marek Borowski, the finance minister and deputy premier responsible for the economy, prompting a dispute over control of the Finance Ministry. The finance and privatisation ministries were allocated to the Left Democratic Alliance (SLD) while Mr Pawlak, the Peasant party (PSL) leader, got the post of premier. Mr Borowski has now indicated he may resign.

Lionel Barber adds from Brussels: Mr Pawlak yesterday called for a "partnership for development" between the EU and the former communist countries of eastern Europe. During talks in Brussels, Mr Pawlak proposed strengthening economic and political links to prepare Poland for full EU membership.

Aérospatiale funding inquiry

The European Commission yesterday said it would carry out a inquiry into whether the French government's capital injection of FFr2bn ($330m) into Aérospatiale would distort competition and therefore constitute illegal state aid, David Buchan writes from Paris.

Aérospatiale said it needed the addition to its current capital which is FFr6bn, or less than half its FFr15bn debt. But it was confident that the capital increase would win Brussels' approval, given that the company had last year considerably retrenched on its FFr2.38bn loss of 1992 and hoped to move into profit by 1995. The Commission takes such prospects for eventual profitability into account when vetting state aid, a Brussels spokesman said.

Czech nuclear fears revived

A fire at a Czech nuclear power plant at Dukovany yesterday revived a row between Prague and Vienna over the safety of Czech nuclear installations, writes Patrick Blum in Vienna.

According to a security official at the plant, the fire was caused by a fault in a transformer and lasted for about two hours, but there was no radioactive leakage. Later Mr Vaclav Klaus, the Czech prime minister, said the fire did not affect nuclear safety at the plant, but Czech environmentalists charged that the fire had been serious enough to cause radioactive leakage.

Austria has urged the Czech government not to complete another power plant at Temelin, some 60km north of the Austrian border.

Austria is trying to persuade the US Congress not to grant a planned $320m credit to finance Temelin's completion by Westinghouse.

Athens demands court papers

Greece's socialist government has called for the country's Supreme Court to surrender its files on an investigation into allegations of corruption during the sale of a state cement company to an Italian concern, Reuter reports from Athens.

Finland split on choice of president

By Hugh Carnegy in Stockholm

The two candidates in Sunday's run-off election for the Finnish presidency – Mrs Elizabeth Rehn and Mr Martti Ahtisaari – are running neck-and-neck, according to an opinion poll published yesterday.

A Gallup poll in the newspaper Helsingin Sanomat gave Mr Ahtisaari, a senior United Nations diplomat running for the opposition Social Democratic party, a slight edge for the first time since he won the first round of voting last month.

The poll gave him 51 per cent against 49 per cent for Mrs Rehn, the right-of-centre defence minister.

But the poll result was well within the 3 per cent margin for error and was weighted against the small Swedish-speaking minority to which Mrs Rehn belongs and which overwhelmingly supports her.

A television poll on Wednesday also showed Mrs Rehn just ahead by 50.5 per cent to 49.5 per cent. Nevertheless, the polls appeared to confirm a trend of resurgent support for Mr Ahtisaari, who quickly fell behind in the polls after the first round of voting.

Both candidates are strong supporters of Finland's application to join the European Union and have pledged to safeguard neutral Finland's security – related issues given added potency recently by the rise of nationalist forces in neighbouring Russia. But Mr Ahtisaari has criticised the government's economic policies, calling for more state action to combat unemployment, affecting 20 per cent of the workforce.

His approach seems to have chipped away at the support for Mrs Rehn, whose candidacy has been the big surprise of the election campaign.

As recently as December she was written off as a marginal outsider, largely because she represents the Swedish-speaking minority which accounts for only 6 per cent of the population.

But many voters seeking a new style of leadership after three years of deep recession responded to her appeal as a plain-speaking woman with no obligations to the main political parties.

Italy's Northern League to debate its electoral stance

Bossi ponders Berlusconi link

By Robert Graham in Rome

The populist Northern League today begins a three-day congress in Bologna to agree the party's position ahead of Italy's March 27 general elections.

The central issue confronting Mr Umberto Bossi, the League leader, is whether to accept an electoral alliance with Mr Silvio Berlusconi, the media magnate who entered the political arena last month with his Forza Italia (Come On Italy) movement.

Mr Berlusconi has made no secret of his desire to forge a "Liberal Democrat" electoral alliance with the League. The League's strong presence in northern Italy, alongside the huge media resources of Mr Berlusconi, is a potentially attractive combination.

The League had nearly 9 per cent of the vote nationwide in the 1992 elections with a total of 79 members of parliament in both houses. With the first-past-the-post system the League could obtain some 150 seats in the chamber of deputies alone. Mr Berlusconi is claiming his own polling organisations are giving him 30 per cent of the vote.

The League has chosen Bologna for its congress as a provocation to the former-Communist Party of the Democratic Left, which has always regarded the city as its stronghold.

Mr Bossi has limited the number of potential allies by falling out with the centrist grouping of Mr Mario Segni, the referendum leader. Mr Bossi rejected a deal negotiated by a lieutenant with Mr Segni because he suspected this would lead to a broader pact with members of the discredited Christian Democrat party, now renamed Popular party.

In the same way, Mr Bossi has made it clear to Mr Berlusconi that he would be an unacceptable partner if he were to bring on board the National Alliance, the recently re-baptised neo-fascist MSI. Mr Bossi regards the National Alliance and its leader, Mr Gianfranco Fini, as an electoral liability with whom there is little common ground. Mr Berlusconi is making progress on a deal with National Alliance, which is expected to have a significant share of the vote in southern Italy.

The other issue to be resolved between Mr Bossi and Mr Berlusconi is the number of seats the League is willing to let Forza Italia contest in the north – and whether Mr Berlusconi should stand in Milan.

Red tape ties Ossie entrepreneurs

Judy Dempsey on bureaucracy east Germans thought was a thing of the past

Mrs Heidlinde Fatteichar is an energetic east German who expected a lot from unification. She gathered her savings, exchanged her Ost Marks for D-Marks, and confronted the market economy.

She leased a small shop in the hamlet of Prebberede in the eastern German state of Mecklenberg-western Pomerania. The size of a large room, it is located in the wing of a delapidated *Schloss*, or castle, which once belonged to the old Bassewitz family from Prussia. There are no brash advertising slogans and banners hanging from the ceilings; no piped, anodyne music.

It is a simple grocery store offering a limited, but adequate, range of goods for her customers.

But no sooner had the unification treaty been signed than she and her friends began to realise that some aspects of life had not changed all that much. Eastern Germany, they discovered, was being swamped with just another set of rules, regulations and laws to replace those they thought they had left behind.

Mrs Fatteichar points to legislation regulating shopping hours. Shops in Germany must close by 6.30pm on weekdays and 2pm on Saturdays. There are some exceptions; shops can remain open until 8.30pm on a Thursday – depending on location – and 4pm on a Saturday, depending on how close they are to the centre/railway/airport. "I make my own law," says Mrs Fatteichar, who is in her mid-30s. "Don't talk to me about those west German regulations. If we took them seriously, we would not be allowed to do anything. I will stay open as long the people want it."

She has an acute business sense. She wants to increase her turnover so that when she moves out – by the end of next month because westerners have bought the Schloss – she can go to the bank, prove she is credit-worthy and lease new premises.

Restrictive shopping hours and tight credit curbs for easterners are two examples of what many see as an inflexible and rigid economic system being imposed on east Germans

She is not very hopeful. Not only is Mrs Fatteichar up against antiquated shopping hours, but the local Raiffeisen bank in Teterow is reluctant to grant her a loan of DM120,000 (£46,000) to lease space.

"I can't win with these western German bankers," she says. "They want us to create capital but they will not advance us a loan." Her bankers have insisted on security. Mrs Fatteichar has more than obliged. She offered them her home. But the bank wanted more security. She offered her 10ha of land as additional mortgage. "It's still not enough. More and more red tape and obstacles stand in my way," she says, adding that she had never before asked for credit. "I have no debts."

Restrictive shopping hours and tight credit restrictions for easterners are two examples of what many see as an inflexible and rigid economic system being imposed on east Germans desperate to unleash years of pent-up energy and channel it into the private sector. It is a view shared by some senior industrialists.

Mr Kurt Lauk, a board member of Veba, Germany's energy-based conglomerate, wrote in a recent issue of Daedalus, the journal of the American Academy of Arts and Sciences: "It is obvious that a competitive renewal in the Federal Republic presupposes a willingness to . . . contain the flood of state intervention, to recognise how regulation and licensing can hinder productivity." He continued: "Unfortunately [such regulations] have been carried over to the new states and greatly complicate the problems for their economic reconstruction . . . ."

There are some cautious signs that Mr Günter Rexrodt, the economics minister and member of the liberal Free Democrats, the junior partner in Chancellor Helmut Kohl's governing coalition, is prepared to start cutting through the myriad of regulations.

Last week the minister scored a small victory. The cabinet, pending approval by the Bundestag, voted to get rid of the *Rabattgesetz* – a law, drawn up in 1933, which prevented shops and retailing outlets from lowering their prices by more than 3 per cent. During the winter and summer sales, retailers will now be allowed a taste of real competition.

Already the federal association of medium-sized and large retailers is critical about any reforms. "Why should we change it?" says Mr Gert Nacken, one of its legal experts.

"We have enough strong competition. With the present kind of price system, customers know where they stand. There is stability."

Many east and west Germans regard the link between price "stability" and regulation as tantamount to giving the producer precedence over the consumer.

There are even some who want to reduce red tape, such as Mr Herbert Helmrich, justice minister of Mecklenberg-western Pomerania. Twelve years ago he founded the Society for the Promotion of de-Bureaucratisation. One of its aims is to speed up decision-making processes by granting civil servants some powers of initiative without the constant and lengthy reference to rules and legislation. The federal Justice Ministry has set up a commission to examine the issue.

Meanwhile Mrs Fatteichar will continue battling with the bankers and will ignore red tape to get on with life in a united Germany. "Sometimes I don't understand capitalism. Is it meant to be about competition or not?" she asked.

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NEWS: EUROPE

Georgia set to consider rouble union

By Leyla Boulton in Moscow

President Boris Yeltsin yesterday announced that Georgia would explore the possibility of joining a controversial new rouble union under negotiation between Russia and Belarus.

Visiting Tbilisi, the Georgian capital, for a one-day summit with Mr Eduard Shevardnadze, the republic's leader, the Russian president also said that Russia would give war-ravaged Georgia an unspecified loan. Radical Russian reformers who have mostly left the government have warned that Russia's more conservative leaders and Mr Victor Gerashchenko, the central bank chairman, are *planning to bail* out even worse-off former Soviet republics at Russia's expense.

Mr Yeltsin said Russia and Georgia had agreed to set up a working group to "weigh the pros and cons" of Georgia's admission to the rouble zone. The Russian leader also signed a friendship treaty which is an attempt to patch up relations frayed by Russian support last year for a rebellion by Georgia's Black Sea enclave of Abkhazia. The treaty pledges that neither side will use the other's territory for aggressive acts. The Russian parliament, however, said that the unresolved conflict meant that it could not ratify the friendship treaty. Mr Yeltsin said he would only submit the treaty for ratification once the conflict was resolved.

Russia last year was also unable to stop its own rebel territory of Chechnya from offering hospitality to Mr Zviad Gamsakhurdia, the deposed president who fought a civil war against Mr Shevardnadze until he committed suicide late in December.

Reuter adds: Georgian Defence Minister Georgy Karkarashvili was concussed by a booby-trap bomb yesterday *shortly before Mr Yeltsin* arrived in Tbilisi. The explosion came as the minister visited the wrecked flat of his deputy, *Mr Nika Kekelidze*, who had been killed by a bomb there hours earlier. A friend of Mr Kekelidze was also killed and the friend's wife badly wounded. A Defence Ministry spokesman said that when Mr Karkarashvili, accompanied by his aides, opened a door in the devastated apartment a grenade fixed to its handle exploded.

Foreign tidal wave hits eastern bourses

FT writers report on the western plunge into the emergent markets of Budapest, Prague and Warsaw

A tidal wave of foreign money is moving into the stock exchanges of the former communist countries of eastern and central Europe. Yesterday's news of the launch of a $200m (£133.3m) investment fund underlines strong western interest in shares quoted in Warsaw, Prague and Budapest.

Heavy buying has accompanied signs of an end to the long post-1989 period of economic downturn in Poland, the Czech Republic and Hungary. Western institutional purchases have had a particularly sharp effect during the last few weeks on the Budapest stock exchange, which rose 58 per cent in January.

However, several analysts warn that – after heady stock market rises last year particularly in Warsaw, which rose 11-fold in zloty terms – the stock exchanges may be heading for a fall. One expert pointing to possible pitfalls is Mr Reginald Duquesnoy, adviser to Prometheus, a small $10m Dublin-listed fund specialising in eastern *Europe, launched* by the London-based Cresvale asset management company.

He pointed out yesterday that foreign investment could push valuations to extreme levels. "I was amongst the first to land in Poland, and the sort of process I would have expected to take 10 years happened in nine months. It went from incredible value to the most rampant over-valuation I have seen in a long time. The greatest destroyers of value are the foreigners."

Mr William Lynne, of specialist London-based investment trust brokers Olliff & Partners, says it is still early days for mainstream UK investors to be looking at eastern Europe. "This is true emerging markets stuff. UK institutional investors tend to be dominated by pension fund managers, who do not think they can justify that kind of high-risk, high-return investment."

CS First Boston, the investment bank launching the $200m fund, counters the idea that it will be adding to an unsustainable "wall of money" moving into eastern Europe. Mr Charles Harman, a managing director of CS First Boston responsible for central Europe, says the fund's size is relatively small compared with the estimated $10bn worth of new stock issues expected to be made in the three centres during the next 12 months. These include both privatisation issues and additional capital launches by companies already quoted on the three exchanges.

The CS First Boston Fund, expected to be spent during the next two to three months, is to be targeted above all at Prague, where another round of privatisations later this year could bring to 1,700 the number of quoted stocks – dwarfing the much smaller Budapest and Warsaw markets.

> **'I was among the first to land in Poland, and the sort of process I expected to take 10 years happened in nine months. It went from incredible value to the most rampant over-valuation I have seen'**

According to Mr Richard Salzmann, chairman of the Komercni Bank, a leading Prague bank, foreign purchases of Czech bonds and equities have surged since last autumn on optimism about the economic and political outlook. Up to $400m in foreign portfolio investment is thought to have flowed to Prague since the stock market was opened in June.

Private investment funds have yet to make an impact in Poland, although foreign buying generally makes up about 10 per cent of turnover on the Warsaw stock exchange. Foreign investors are thought to own 25 per cent of stock market capitalisation.

Investment activity in Warsaw has generally been through western government-sponsored funds such as the $300m Polish American Enterprise Fund (PAEF). The PAEF has channelled loans and equity to medium and small businesses, and last year contributed $50m towards the $150m Polish Private Equity Fund (PPEF) for equity investment, some of which has been in companies preparing for eventual stock market flotation.

Budapest, with the smallest capitalisation of the three exchanges, has lately seen a particular speculative flurry. Last week General Electric's pension fund and two other US investors paid $23.6m for the 29 per cent of hotel and spa chain Danubius being privatised by the State Property Agency.

The shares more than doubled on the first day of trading.

Investors have been trying to *follow the example of* the Quantum Fund, controlled by Mr George Soros. Quantum invested $3m in Hungarian retail company, Fotex, in 1992 and the shares have since more than doubled. The question is: can this be repeated?

Reports by Bethan Hutton in London, Nicholas Denton in Budapest and Chris Bobinski in Warsaw.

Russia acts on unsound banks

By Leyla Boulton

The Russian central bank has closed down 19 "unsound" banks over the past year and is developing an early-warning system to minimise the possibility of future banking crashes.

Ms Nadezhda Ivanova, deputy chief of off-site banking supervision, said that liquidation committees were examining the banks' whose licences had been withdrawn to establish what could be recovered by creditors.

The central bank, which late last year cracked down on banks which abused its overdraft facility, is a leading creditor, although Ms Ivanova said it was too early to tell how much money it had lost.

With 2,041 banks as of February 1, Russia's fast growing but highly fragile commercial banking business has been encouraged by exceedingly low minimum capital requirements for setting up a bank. The central bank, however, is now working on raising them.

Ms Ivanova said off-site supervision, which examines data sent to the central bank by the banks themselves, was being supplemented by a growing on-site inspectorate, which had so far checked 300 banks.

Row in Moscow over spending on agriculture

By Leyla Boulton

The Russian government yesterday illustrated its inclination towards a course of spending which would fuel inflation and jeopardise economic recovery.

Mr Andrei Illarionov, whose days may be numbered as personal economics adviser to Mr Victor Chernomyrdin, the prime minister, severely criticised an agriculture support package as a "benefit for lobbies" such as the state farms represented by the deputy prime minister, Mr Alexander Zaveriukha.

He said the package, for instance raising duties on imported sugar when Russian sugar prices were already twice the world level, would hit the consumer hardest.

Although the package carried an official price tag of Rbs14,000bn, Mr Illarionov said it would be complemented by an additional Rbs14,000bn to be spent on soft loans for food purchases, and another *Rbs6,000bn in loans for farmers* to carry out the spring sowing. This meant that at present exchange rates Russia would *spend $22bn (£14.6bn) on* its attempts to become self-sufficient in food – or 10 times more than it spent on food imports last year – making the goal of self-sufficiency not worth the expenditure.

Mr Chernomyrdin was quoted as asking the package's authors to review the programme, saying it had to be backed up by appropriate resources. He did not explain what constituted appropriate resources in a situation where the government has already decided to double the amount of money it will print in the first quarter of this year to cover the budget deficit.

Ukrainian deputies cautious on N-arms accord

By Jill Barshay in Kiev

The Ukrainian parliament yesterday adopted a carefully worded resolution which supported President Leonid Kravchuk's nuclear diplomacy, but delayed ratification of treaties to rid Ukraine of its nuclear arsenal.

The brief, two-point resolution called for "exchanging instruments of (Start-1) ratification after concrete agreements have been reached," *referring to the still unfinished or "secret" accompanying* agreements on financial compensation, dismantlement aid and security guarantees.

The MPs stressed the need for these further agreements even though, in their apparently contradictory resolution, they officially renounced the 13 conditions set on their controversial ratification of Start-1 last November. Only three weeks ago, the trilateral agreement with Russia and the US was heralded as an "historic breakthrough" which would dismantle the world's *third largest nuclear arsenal.*

Mr Kravchuk, who has staked his reputation on the trilateral accord, began with an impassioned appeal to ratify the nuclear non-proliferation *treaty as a non-nuclear* state. He said this would avoid "international isolation".

Later the president explained that parliament's main concerns would be fulfilled *by the government in* subsequent negotiations with Russia and the US. But parliamentarians wanted to see the compensation and security details before signalling final approval.

The parliament was only presented with Mr Kravchuk's public agreement signed with Presidents Bill Clinton and Boris Yeltsin on January 14.

According to this agreement, Ukraine is to ship over 1,600 nuclear warheads to Russia, where uranium would be extracted and then sold by the US. US officials have estimated that Ukraine would earn $1bn (£670m) from these uranium sales.

The parliament wanted to know precise details of the agreement, wary that it has still not got compensation for the over 2,000 short-range nuclear weapons it transferred to Russia in 1992.

Deputies also wanted to ensure their atomic power stations, which produce a third of the energy-starved country's electricity, would be supplied with uranium. Shortages of nuclear fuel could shut down part of the Chernobyl nuclear power station within a week and Ukraine's four other plants within months.

Conflict between Russia and Ukraine is now "probable", according to a report by a prominent British defence institute, writes David White, Defence Correspondent.

In its annual International Security Review, the Royal United Services Institute warns of rising tension over the Crimea and Russian nationals living in Ukraine. It also cites difficulties over the removal of nuclear weapons from Ukraine and trade, currency and oil disagreements between the two countries. The institute says the potential for a serious outbreak of violence is greater in Ukraine than in the Caucasus.

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Volatile Japanese politics plunged into turmoil again

William Dawkins on Hosokawa's unexpected move

Japanese politics was again plunged into turmoil yesterday as the controversial tax plans of Mr Morihiro Hosokawa, prime minister, aroused outrage on all sides.

Mr Hosokawa's early morning announcement of an income tax cut, to be funded by a rise in sales tax from the current 3 per cent to 7 per cent in three years' time, astonished many in his seven-group coalition and the opposition Liberal Democratic party. Japanese politics has moved into a newly unpredictable phase, and nobody had expected any kind of a decision, let alone such a blunt one, at that moment.

Less than a week after averting a political crisis by compromising with the LDP on political reform, Mr Hosokawa has provoked fresh trouble by apparently underestimating the political impact of his tax plan. This has forced him to delay announcement of his economic pump-priming package and attracted, for the first time, Japanese press criticism of his leadership style.

The Asahi Shimbun newspaper yesterday accused Mr Hosokawa of dishonesty and conceit, while the Mainichi Shimbun doubted whether Mr Hosokawa's 74 per cent popularity rating would be enough to resolve this crisis. "The prime minister must have been drunk on his high poll ratings," said an angry Mr Kozo Igarashi, the construction minister, who belongs to the Social Democratic party.

Yet most analysts think the basic plan, worked out by the three centre-right parties which set the tone for coalition policy, will survive. "It's a purely emotional outburst. This is just *Kabuki* [theatre]. There will be an agreement because nobody wants an election," said Mr Jesper Koll, chief economist at S.G. Warburg Securities in Tokyo.

Mr Hosokawa yesterday offered to consider changing the plan to satisfy the left-wing SDP, the largest member of the coalition, after it threatened to leave the government unless he modified the scope and timing. "I am not concerned about saving face," he said yesterday, after angry SDP officials invaded his private office.

A wholesale walk-out by the 76 SDP lower house members would deprive the coalition of its 10-seat majority there. "The socialists don't want to leave unless they have to... they don't want to take the government away from Mr Hosokawa just yet," argued Mr Jeff Young, political analyst at Salomon Brothers Asia.

Mr Hosokawa was probably expecting the SDP to resist the plan, given the party's election pledge last year to oppose any rise in sales tax. But the criticism from other coalition members and from parts of the LDP – which, ironically, introduced consumption tax – was a surprise.

Even Mr Masayoshi Takemura, chief cabinet secretary, and an open advocate of an increase in indirect taxation, threatened to resign if Mr Hosokawa did not mollify the socialists. "It is better to correct major errors. We may have rushed the decision on the tax," he said.

The plan had been announced too suddenly and was "not even worth discussing", said Mr Ryutaro Hashimoto, chairman of the LDP's policy research council. Only a day earlier the LDP looked as if it was firmly behind Mr Hosokawa on tax, on the strength of an agreement between him and Mr Yohei Kono, the LDP president.

Mr Hashimoto's remark appears odd from a former minister at the Finance Ministry, which orchestrated the consumption tax rise. Another former LDP finance minister, Mr Michio Watanabe, welcomed the scheme as "the sole direction" the government can take. All this suggests the LDP is just as split over tax as is the coalition.

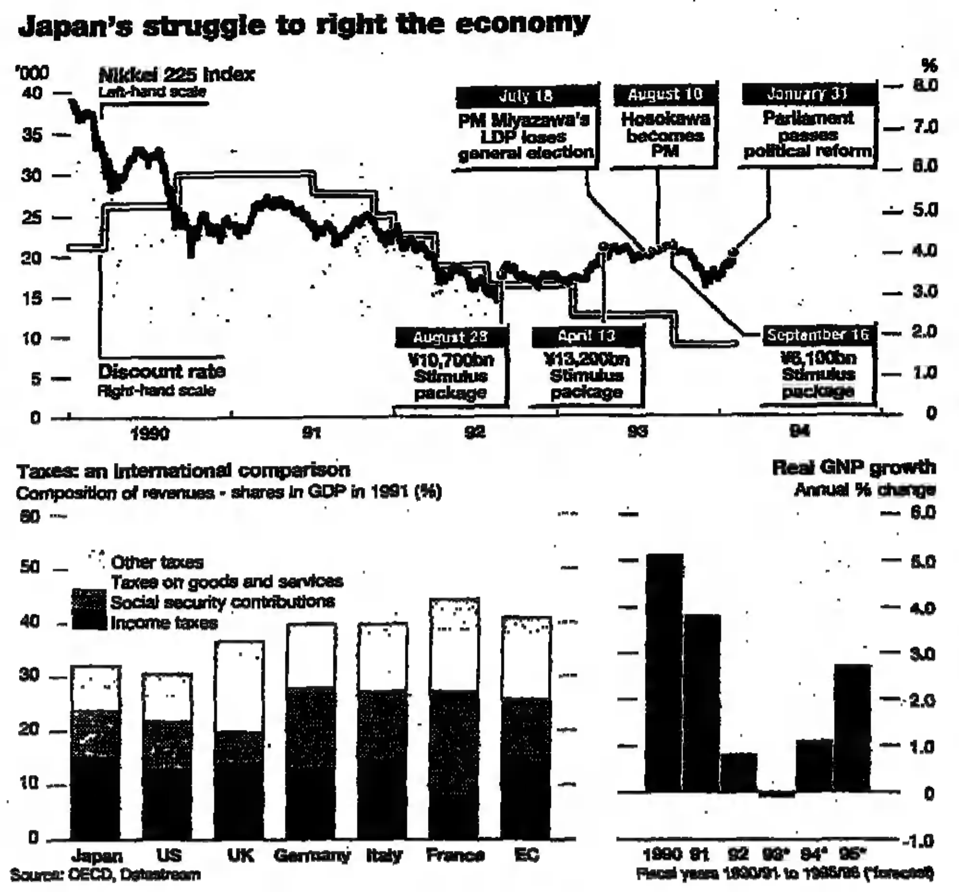
The campaign by the powerful Finance Ministry for a rise in sales tax clearly won over Mr Hosokawa. The ministry argues that it needs to increase revenues from indirect taxation to make up for the decline in income tax revenues that will take place as the number of Japanese aged over 65 increases from 12 per cent now to nearly 25 per cent by 2025.

Political parties' natural reluctance to take responsibility for raising taxes is intensified by the LDP's painful memory of the consequence of its introduction of sales tax in early 1989. That was a big factor in the LDP's defeat in the upper house elections later that year, the first step in a decline which culminated in its lower house election defeat last year.

The proposed increase will again have an electoral cost, judging by the outcry from business and consumer groups yesterday. This is at a time when political parties are unwilling to take risks because they do not know for sure when the next general election will be.

Mr Hosokawa clearly believes his hand is strong enough to impose a fresh balance on the tax system, even at the cost of shocking some of his allies.

Japan's struggle to right the economy



Source: OECD, Datastream

Hosokawa plan has pleased few and made many unhappy

By Michiyo Nakamoto in Tokyo

After months of intense public haggling over how to finance a substantial income tax cut, Premier Morihiro Hosokawa has put together a plan that has pleased few and made many unhappy.

What relief or joy over the cut in direct taxation there may have been was strongly overshadowed by widespread discontent over the increase in consumption tax to 7 per cent from 3 per cent and its likely impact on consumer sentiment.

Business leaders, on the whole, hoped the lighter tax burden would lift consumer demand and help kick-start the sagging economy.

Among the most optimistic was Mr Gaishi Hiraiwa, chairman of the Keidanren, the leading business federation, who hailed the prime minister's tax reforms as a bold measure bound to have a favourable impact on the economy. Mr Hiraiwa said Mr Hosokawa could be given high marks for his reforms to lower both income and corporate taxes.

Most businessmen were, however, more guarded, while some were concerned that raising the consumption tax to more than double its present level could lead consumers to save their extra money rather than spend it, even though the increase will not come for three years.

Mr Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, was critical. "Since an increase to 7 per cent could have a negative impact on the economic recovery, I cannot support the plan right away," he said.

"People will save the money," said Mr Naokazu Takeuchi, councillor at the Consumers' Union of Japan. "The Japanese people are not stupid. With the economic outlook still bleak, they won't spend."

Pessimists argue that with rising employment and pressure from a high yen and excess manufacturing capacity unabated, reducing the income burden slightly is not going to trigger a consumption-led recovery. "It is no longer an age in which we can consume our way out of recession," Mr Takeuchi said.

"It will not be effective in stimulating the economy," agreed an official at Rengo, the trade union confederation. "Postal savings are at a peak, which shows that people are not spending even though they have the money."

But the fiercest criticism was reserved for what was seen as the backhanded way in which the increase in the consumption tax was decided and then presented to the public as a *fait accompli*.

"A tax increase is a serious matter, and must be fully debated to win public approval," said a union official. "Remember, the introduction of the consumption tax nearly brought down the government" under the then-ruling Liberal Democratic party, he added.

Mr Takeshi Nagano, president of the Nikkeiren employers' federation, reflected widespread unhappiness with the forceful way in which the increase was determined. "The government should do all it can to cut costs first, to win the approval of the public," he said.

For Mr Hosokawa, one of the most welcome receptions to his plan came from the US. Mr Lloyd Bentsen, US Treasury secretary, greeted the tax package as "a step in the right direction," although he reserved final judgment until details became available.

Beijing seeks veto over HK air pact

By Simon Holberton in Hong Kong

An air services agreement between Cathay Pacific Airlines and China Airlines, Taiwan's flag carrier, seems likely to become ensnared in the long-running dispute between China and Taiwan about reunification.

It is unclear what attitude Beijing will take to the renewal of the agreement which expires in April next year. Although the accord is between two companies, China has indicated to the Hong Kong government that it wants to approve the terms.

Taiwan's Nationalist government refuses to permit direct contacts with the mainland. Most of the island's trade and communications with the mainland are routed through Hong Kong. More than 1m visits a year to mainland China by Taiwanese businessmen and tourists could be affected if China refused to recognise the agreement.

Renegotiation is China's first concrete opportunity to exercise economic leverage on the Taipei government. It might use the aviation accord to force the pace of discussions about direct links across the Taiwan Strait.

Air services between Hong Kong and Taiwan are not governed by a bilateral government agreement, but by an inter-company one last renegotiated by Cathay and China Airlines in April 1990 and valid for five years. This agreement permits both airlines to fly between Hong Kong and Taipei, and Hong Kong and Kaohsiung, a large port in south-west Taiwan.

The airlines want to renegotiate the pact for a further five years. But China has told the Hong Kong government informally that it wants to see the terms of any agreement, as it will span the 1997 transfer of the colony's sovereignty to China.

According to a senior government official: "The Chinese are concerned about what arrangements go through 1997 and they do not expect to see something agreed, that does go beyond 1997, without their blessing".

Although the agreement between Cathay and China Airlines was a matter between two private companies, in reality it would need China's endorsement to have any force after 1997, the official added.

The Taiwanese government has said it wants to continue using Hong Kong as a buffer between the island republic and the mainland. But it has said it will develop Subic Bay, the former US naval base in the Philippines, as a transhipment port if Beijing denies it access to Hong Kong.

Censure on rights is rejected

By Tony Walker in Beijing

China yesterday strongly rejected US censure of its human rights record, describing such criticism as "utterly unreasonable and totally irresponsible".

China's strong reaction to this latest US criticism of its human rights record reflects concerns about renewal of its Most Favoured Nation status.

Removal of its lower tariff privileges in the US market would threaten billions of dollars' worth of textile sales.

In response to a US State Department report this week which said that China's human rights behaviour still fell "far short" of internationally accepted standards, Mr Wu Jianmin, the Chinese Foreign Ministry spokesman, said: "The US has no right to make irresponsible remarks about the internal affairs of China or, for that matter, any other country. We resolutely oppose interference in our internal affairs under the excuse of human rights."

The annual State Department accounting of human rights in China criticised Beijing for failing to provide adequate protection for individuals under the terms of the constitution.

"Fundamental human rights provided for in the Chinese constitution frequently are ignored in practice," the report said. "Challenges to the Communist party's political authority are often dealt with harshly and arbitrarily."

The State Department report acknowledged China had made positive moves on human rights in 1993, but it was the report's negative tone which captured the headlines.

Iran asked to reduce embassy

By James Whittington in Amman

Jordan has asked the Iranian embassy in Amman drastically to cut down its numbers amid fears that Tehran is strengthening its links with Moslem fundamentalists in Jordan and the West Bank.

Security officials in Amman complained the size of the Iranian embassy far outweighed its "normal" functions and the Iranian ambassador, Mr Ahmad Dastmalchian, is said to have played an active role in 1979's Iranian student takeover of the US embassy in Tehran and the 1983 suicide attack on the US mission in Beirut.

Diplomats in Amman said Mr Dastmalchian is known to have played a key role in strengthening links between Tehran and Moslem fundamentalists abroad.

The Iranian embassy in Amman has 30 staff, including 19 diplomats, compared with only two Jordanian diplomats in Tehran.

Jordan's request came a few days after a bomb exploded in a cinema screening soft pornography in the northern town of Zarqa in which two people were injured. A similar device exploded, five days earlier, in a downtown cinema in Amman, injuring seven.

● Western embassies in Egypt are tightening security after warnings by Moslem militants that foreigners should leave Egypt, Reuter reports from Cairo.

Rafsanjani 'plotters' arrested

Iran said yesterday a man who fired shots during a speech by President Akbar Hashemi Rafsanjani had been part of an assassination plot and that all his accomplices had been arrested, Reuter reports from Nicosia. Tehran Radio quoted a security chief saying: "In the wake of detailed intelligence work and the confessions of the assailant, all the accomplices and planners of this disgraceful action have been arrested."

Japanese rocket launch delayed

A technical snag yesterday caused a further delay in launching the first all-Japanese rocket, Reuter writes from Tokyo. The much delayed first take-off for the H-2 rocket was originally scheduled for Tuesday, but was postponed twice because of bad weather.

'Forget apartheid' is gist of South African ruling party's election manifesto

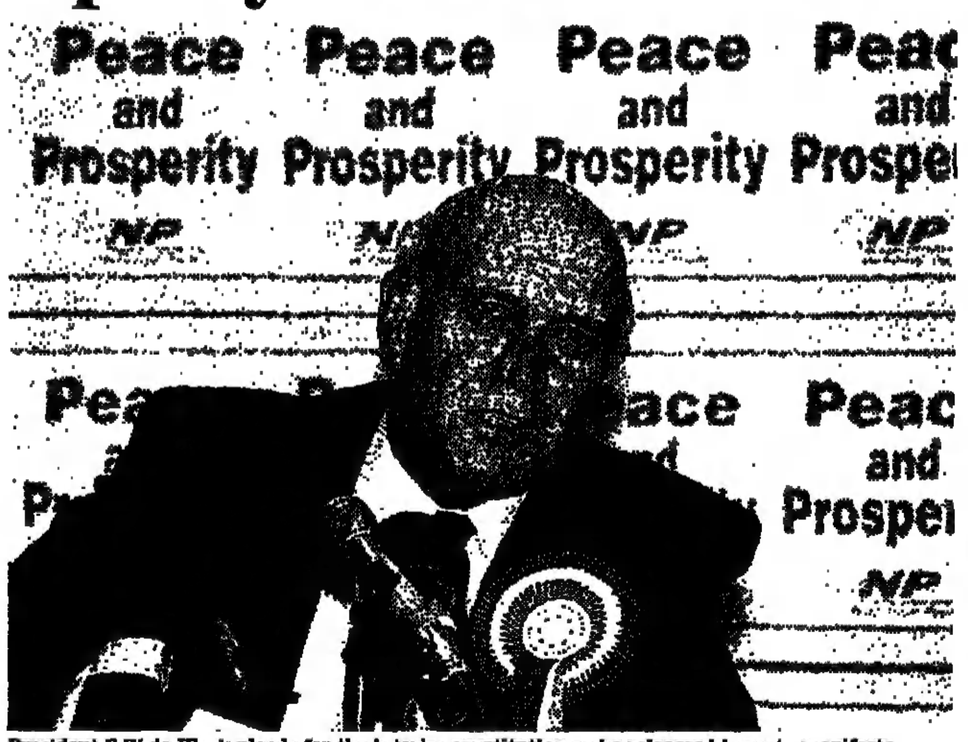
National party woos voters across racial divide

By Patti Waldmeir in Johannesburg

"Apartheid – let's forget about it," says Victor Gumbi, a black organiser for South Africa's ruling National party, the party which forced him to live in the black township of Soweto, denied him basic human rights and gave him third-class education and healthcare for decades, but nonetheless wants his vote in April's all-race elections.

Yesterday, in the presence of 3,000 delegates including perhaps a third "non-white", the new non-racial National party published an election manifesto which can be summarised in exactly the phrase chosen by Victor: forget apartheid.

The party congress, held outside Johannesburg, was a surreal affair. National party politicians, uncertain how to communicate with their new black, brown and Indian supporters, borrowed the rhetorical tricks of the African National Congress to try to stir the moribund conference to life.



President F.W de Klerk pleads for the interim constitution as he releases his party manifesto Reuter

The effort fell flat. The cries of "Viva, President de Klerk, Viva" and "Long live" stimulated a few uncomfortable whites to give the clenched-fist black power salute; but most delegates offered no more than muted applause. They seemed slightly bemused by the proceedings.

Desperate to gain the black, coloured and Indian votes without which the party is doomed, the NP loaded its election list with "non-white" candidates, many of them politicians who served in the tricameral parliament (which gave coloureds and Indians the vote, but excluded blacks), or people with little political experience. The list for the northern Transvaal region is overwhelmingly black, and in the crucial Pretoria-Johannesburg region the seventh position is held by a black man, Mr David Chuenyane, who chaired the congress.

So why did Mr David Chuenyane join the National party, especially after decades in exile with the black supremacist Pan Africanist Congress? "I'm an opportunist," he says with a candour rare among his white colleagues. "I saw an opportunity in the NP and I said: 'The NP is stranded. They need somebody black'." Anyway, he adds, there were no good positions going in the African National Congress.

Now the NP is trying to sell itself as a party with experience of government (apparently oblivious to the charge that 40 years' experience implementing apartheid scarcely inspires confidence for the future). The party's manifesto solemnly promises to protect exactly those basic freedoms which National party governments abused on a regular basis for more than 40 years.

Nobody would deny it is a tall order to sell a party with a history like that of the National party (Mr Tim Bell, of Thatcher election fame, is advising the NP in its efforts). But the black South Africans who decide in the end to vote NP will not mind about that: they will be voting to keep out the Xhosas, who are perceived to dominate the ANC; they will be registering a protest at political violence which some blame on the ANC; or they will betray a kind of inverted racism, bred by apartheid, which has left some older, traditional, blacks thinking only whites can govern.

The size of this support base is impossible to measure, least of all by opinion polls conducted in an atmosphere of political violence, where respondents often say they are undecided rather than risk revealing their views. Opinion polls published yesterday indicated 25 per cent of the electorate is undecided; earlier polls showed only 1 per cent black support for the NP, although support among coloured and Indians is substantial.

It seems a fair bet that President F.W de Klerk's confidence is misplaced when he predicts that the NP will win the election outright; but however difficult his campaign, and however bitter the irony of his message, some black Africans will vote for him as the man who ended apartheid. It is an irony of history that his party should depend on the ones who suffered most under National party rule for its very survival in the new South Africa.

South Africa's right-wing Freedom Alliance will take the weekend to consider a compromise offer made in constitutional talks yesterday with the African National Congress and government, but Alliance negotiators said the offer fell short of their demands, writes Patti Waldmeir.

The offer would allow voters in April's elections to choose different parties at regional and national level, rather than voting once for one party to rule at both levels. The ANC made the concession hoping to avert civil conflict. Other items fell well short of Alliance demands: on regional autonomy, no new offer was made, though ANC negotiators made clear a readiness to move further on this issue, which is crucial to any settlement. There is intense dispute within the ANC on how much autonomy to offer.

Talks must end by next Saturday, the day on which parties must register if they are to contest April's elections.

Industrial unrest could be serious, Jakarta told

Indonesia, under the spotlight as the US ponders whether to remove trading privileges, is facing its worst industrial unrest in recent years, diplomats and labour experts said yesterday, Reuter reports from Jakarta.

Thousands of workers went on strike this week accusing employers of failing to pay the new minimum wage, forcing President Suharto and his army chief to enter the fray by warning businessmen to abide by the new ruling.

Indonesia's main independent union has called for a nationwide strike next week. "It's going to get worse before it gets better. It's clear the government is worried about the extent of this (unrest)," a diplomat said. Washington, critical of Indonesia's labour policy, will decide on February 15 whether to suspend trading privileges under the Generalised System of Preferences (GSP).

Indonesia, afraid of similar sanctions from Europe, has passed a flurry of reforms in the hope of convincing Washington not to act. Last month it repealed a controversial decree allowing the armed forces to intervene in labour disputes. It has reformed the only officially recognised union, the All Indonesia Labour Union, or SPSI, in the hope of broadening its role.

It has ordered a 27 per cent increase in the minimum wage for workers in the industrial heartland of west Java, effective from January 1. Companies in 10 other provinces must raise their minimum wage by April 1. Executives at PT Kahatex, a textile factory in Bandung, 80 miles south-east of Jakarta, said 2,000 strikers went back to work yesterday after two days of protest in which offices were ransacked.

In its annual report on human rights, Washington this week accused Indonesia of widespread abuses and included a tough criticism of its labour record. Manpower Minister Abdul Latief has given West Java companies until February 12 to comply with the new wage laws, or face fines.

Few prospects in sight for an IMF agreement with Nigeria

By Paul Adams in Lagos

The International Monetary Fund ended its annual visit last night with no prospect of agreement between Nigeria and its official creditors until the new military government brings spending, inflation and the foreign exchange rate under control. But economists predict that some policies in last month's budget will undermine economic stability.

Since late 1990 western-backed deregulation of Nigeria's economy has lapsed whilst fiscal policy has been out of control, leading to a budget deficit estimated at N100bn (£3bn) last year, about 15 per cent of GDP.

"The only thing which they deregulated in the past two years was government spending," said an economist in Lagos.

Officials say the Fund supported this government's policies of balancing the budget and accounting for all revenue and spending, but will not return for further talks until General Sani Abacha's regime achieves its targets in the coming months.

Nigeria is set to accumulate arrears of \$8.5bn (£5.7bn) by the year end on external debts of around \$28bn and more than half is rescheduled debt to the Paris Club of official creditors, which it has not serviced since August 1992. Debt relief depends on either a standby agreement lasting nine to 18 months or a three-year enhanced structural adjustment agreement (ESAS) with the IMF.

An ESAS would require comprehensive reform of the public sector but a standby deal could be reached more quickly if the government stabilises the economy and adopts fiscal, monetary, credit and foreign exchange policies which the Fund considers appropriate.

Since seizing power in November the direction of Gen Abacha's regime has been unclear. In last month's budget it reverted to direct allocation of foreign currency and fixed foreign exchange and lending rates, ignoring advice from international creditors. Foreign accounts have been frozen since the budget and until the cabinet's civilian economic committee begins to allocate foreign exchange direct to end users at a fixed rate of N22 to the dollar. Bank lending rates have been capped at 21 per cent although inflation is believed to be around 80 per cent.

This year's budget accounts more clearly for oil revenue than in the past but the government has not released payment for four months to its foreign oil joint venture partners which are owed an estimated \$700m plus N3bn.

Observers say that economic policy is largely determined by a cabinet committee containing several populist politicians with ambitions for high office, after the military leaves power, who may be reluctant to cut public spending.

Business snubs Clinton health bill

By Jurek Martin in Washington

The first week of the Clinton administration's renewed drive for healthcare reform has brought a mixture of tactical defeats, victories and draws in its battle for universal coverage.

The most significant setback was the decision on Wednesday by the Business Roundtable, an association of 200 prominent corporate heads, to endorse the more modest reform bill sponsored by Congressman Jim Cooper, the Democrat from Tennessee.

The White House conceded it was "disappointed but not surprised" that it had failed in its strenuous efforts to get the association to preserve its previous neutrality. It suggested the Roundtable had been unduly influenced by the arguments of the insurance industry against universal coverage.

The Cooper plan is the only alternative which has attracted measurable bipartisan backing in Congress. It does not require universal coverage, though the congressman argues that his blueprint creating insurance purchasing alliances for small businesses, many of whom now provide no coverage, would have virtually the same effect. He also sees many other similarities with the administration approach, including reliance on what is known as "managed competition."

Its attraction to big business is that it would not force companies to purchase insurance for their employees, nor would it allow the government to put ceilings on insurance premiums, both features of the administration plan.

While sticking to his threat to veto any legislation that does not provide universal coverage and while working to prevent a rush of support for the Cooper bill, President Bill Clinton this week has indicated willingness to compromise on other parts of his plan, including employer mandates.

This gesture was influential in persuading the nation's governors, meeting in Washington this week, to issue a strong call for passage of healthcare reform this year. But they endorsed none of the plans currently on the table and admitted they were hopelessly divided on whether employers should be required by law to provide insurance.

Nevertheless the mood of the governors, plus the evidence of public opinion polls, has already induced a large tactical shift in the Republican position. Senator Bob Dole, the minority leader, this week significantly modified his assertion of seven days ago that there was no healthcare crisis in the US and promised to work for reform, even though he predicted "it won't look like any bill out there now."

Polls taken since the president's State of the Union message last week all indicate majority backing for Mr Clinton's broad goal, but they also reveal much incomprehension. Mr Dole's volte face demonstrates Republican awareness of the problems the party could face if it is perceived to be obstructing the popular will.

President Clinton listens during a Department of Labour re-employment conference in Washington yesterday. He promised to get rid of "yesterday's programmes" and will propose a bill to overhaul the government unemployment system Reuter

US insurers face bill for toxic waste fund

By George Graham in Washington

The Clinton administration is proposing to set up a \$3bn (£2bn) fund paid for by the insurance industry as part of its overhaul of the controversial Superfund laws governing the clean-up of toxic waste sites.

Ms Carol Browner, administrator of the Environmental Protection Agency, said yesterday that the new fund, to be built up by a levy on the industry starting at a total \$500m a year, would help settle insurance claims arising from waste dumped before 1986, when the Superfund law was revised, and cut down on lawsuits.

The administration's draft legislation would also set up a new form of arbitration process for allocating responsibility for cleaning up waste sites, under the auspices of an independent expert, and make other changes that it hopes would resolve some of the law's current problems in assigning liability.

Superfund legislation was first passed in 1980 amid public outcry over notorious dumps such as Love Canal, near the Niagara Falls, or Kentucky's Valley of the Drums.

Its operation, however, has been widely criticised for the unfairness with which liability is distributed, the slowness of clean-ups – only 217 of the 1,280 sites listed as national priorities have been declared clean – and the amount of time and money spent on litigation.

A study last year by the Rand Corporation, a California-based think-tank, estimated that transaction costs ate up 27 per cent of the money spent on clean-ups.

"We all need Superfund reform desperately. No one who knows anything about Superfund would dispute that," said Senator Max Baucus, chairman of the Senate committee on the environment.

Ms Browner said the administration's proposals would make clean-ups quicker and cheaper. "Our proposal will cut the length of clean-up by 10 to 20 per cent and the cost of clean-up by up to 25 per cent," she said.

The draft legislation aims to introduce some consistency by setting up national standards for clean-ups, although these standards will vary according to the future use of the land.

One of the most controversial aspects of Superfund has been the application of joint and several liability, in which companies which contributed only a little to the pollution of a site may end up being saddled with most of the bill because other polluters have gone out of business.

The administration bill retains joint and several liability, which is a well-established legal principle, but Ms Browner said the new procedure for allocating responsibility would allow businesses to settle their share and not worry about being sued by others.

Joint and several liability was the inducement for everyone to take part in the allocation process, since those who did not settle could end up being sued for the leftover costs, or orphan share, which cannot be allocated to a specific party.

Very small polluters – some households have been confronted with a Superfund bill because their rubbish was taken away to a landfill – will be absolved of liability, and other small polluters will be given the opportunity to settle early.

In addition, the legislation would, with some conditions, protect prospective buyers of polluted land as well as trustees and lenders, some of whom have been faced with liability for sites they took over when their borrower defaulted.

Perry is approved as next defence secretary

By Jurek Martin in Washington

The Senate Armed Services Committee yesterday unanimously approved the nomination of Mr William Perry as next secretary of defence. Its chairman, Senator Sam Nunn of Georgia, predicted confirmation by the full Senate within 24 hours.

Mr Perry, previously deputy secretary, struck all the right notes in his hearings and was gently treated by Senators. He said he would back US field commanders, promote internal reorganisation and seek more defence funds if necessary (he estimated a current five-year budget gap of \$20bn, less than the \$50bn pointed to by Mr Les Aspin, outgoing secretary).

He promised to be a full player in the Clinton administration's often criticised foreign and security team, expressing strong concern about North Korea's attempt to acquire nuclear capability.

Ecuador strike hits business

By Raymond Colitt in Quito

A nationwide strike called by Ecuador's main trades union federation to protest against increases in petrol prices yesterday shut public and private enterprises and hit public transport.

The United Workers Front is demanding a reversal of the petrol price rise, which was announced at the weekend.

It is also seeking a general increase in wages for workers and the dismissal of Mr Cesar Robalino, the finance minister.

Riots continued for the third day yesterday.

In an attempt to overcome a fiscal crisis, the government of President Sixto Durán raised petrol prices by 25-71 per cent. Now prices stand at \$1.22-\$1.46 (£0.81-£0.97) a US gallon. Public transport prices remain fixed through subsidies.

Mr Alfredo Corral, labour minister, said the government was "studying the possibility of a limited wage increase," but would not repeal the petrol price rises.

Union leader Mr Edgar Ponce reiterated his members' opposition to the privatisation of strategic state-owned enterprises, and said that if the government did not give in to the demands, an indefinite general strike and an uprising by the indigenous peoples could result.

The government maintains that an estimated \$500m-\$600m deficit in the projected 1994 budget was largely caused by the fall in the price of crude oil, exports of which make up nearly half of the government's revenues.

Venezuela suffers sharp fall in currency reserves

By Joseph Mann in Caracas

Venezuela's international monetary reserves fell sharply last month after a rush into US dollars prompted by the failure of the country's second largest bank, Banco Latino, and as a result of lower receipts from oil exports.

The central bank said international reserves dropped by \$744m (£496m) in January, or 5.8 per cent, to \$11.9bn at the end of the month – after falling by only \$513m during the whole of last year. Reserves are still sufficient to cover the 1993 import bill.

Mr Julio Sosa Rodriguez, the finance minister, said that the new government, which took office on Wednesday, wanted to refinance around "15-20 per cent" of the principal payments on its non-restructured public sector external debt maturing this year. This would not affect any Venezuelan bond issues.

The Central Bank also said the cost of living index rose by 4.3 per cent in January, a bad start for the year. The increase, compared with 3 per cent in January 1993, resulted from the application of a new value added tax to retail sales. Inflation in Venezuela last year was 46 per cent.

Ministers said on Wednesday that the government of President Rafael Caldera would try to negotiate price agreements with producers in order to control inflation and avoid shortages, and that a price increase for petrol (which is contemplated in the 1994 budget) would not be approved "over the short term".

Japan stalling talks, says US

By Nancy Dunne in Washington

A senior US trade official yesterday accused Japan of trying to renegotiate the hard-fought terms of the US-Japan trade negotiating framework reached at last year's Tokyo summit.

At a congressional hearing, Mr Jeffrey Garten, the commerce undersecretary, said Japanese negotiators were resisting "point by point" the setting of "multiple quantitative and qualitative criteria" which would measure progress in opening its vehicle market.

The US is seeking a "significant" increase in the number of direct franchise agreements between Japanese dealers and foreign vehicle manufacturers. It also wants continued increases in the North American content in cars produced by Japanese manufacturers in the US.

Japan has sought to position itself on the high ground in its trade stand-off with the US. American demands for "benchmarks" to measure import penetration sectors are being stoutly resisted on the grounds that Tokyo reformers want less, not more, government intervention in the marketplace.

"We do not seem to have even a common understanding of the problem, let alone consensus on the solutions," Mr Garten said. Japanese officials believe that agreement on "benchmarks" will evolve into market share commitments.

Memories of past highly-touted but ultimately ineffectual bilateral trade pacts with Japan haunt the proceedings. The US has now endured 28 years of merchandise trade deficits with Japan, with last year's climbing back to \$59bn.

There is little doubt that a failure of the framework talks would bring swift congressional action; at the very least it would mean renewal of Super 301, a now expired tough US trade law. Congressman Richard Gephardt is considering legislation which would direct the Commerce Department to establish unilateral import targets for Japan, making failure to reach those targets punishable by sanctions.

US companies might also move quickly. At least one Washington trade group – Stroock & Stroock & Lavan – has been researching US trade law in preparation for private-sector attacks on Japan's exclusionary structure and practices.

Mr Bill Leonard, a Stroock senior partner, says there are three options: an expansion of the countervailing duty law to cover domestic subsidies which benefit Japanese companies to the exclusion of US exports; section 337 of the Tariff Act of 1930, which may enable US producers to exclude imports produced through exclusionary practices like keiretsu; and section 301 of the 1974 Trade Act under which the US imposes punitive duties on imports from countries which unfairly exclude US products.

Athens bows to need for Turkish electricity

By Kerin Hope in Athens

Greece plans to buy electricity from Turkey to cover shortages during peak demand, ending a long-standing policy of rejecting economic co-operation with its political rival.

The energy ministry said DEH, the state power monopoly, had been asked to submit detailed proposals for linking the Greek and Turkish grids in Thrace, in north-east Greece.

In the past, Greece turned down a Turkish offer to supply electricity to the eastern Aegean islands, claiming it would be politically unacceptable for its tourist industry to be dependent on Turkey.

Two years ago, negotiations with the Turkish electricity authority on linking the grids in Thrace were called off after details of the plan appeared in Greek newspapers. However, Greece now faces difficulties in boosting capacity at peak periods as its northern neighbours can no longer supply electricity on demand.

A severe drought in Albania, where power is produced by hydroelectric plants, has cut electricity exports. Bulgaria suffers from an energy shortage because of reduced transfers from Ukraine, while UN sanctions against the former Yugoslavia have curtailed production there.

In the medium term, Greece is likely to need regular access to additional capacity. Demand for electricity is rising by 3.5 per cent a year while further delays in building power plants are expected.

Davy wins contract in Trinidad

By Robert Corzine

Davy Process Technology, a division of Trafalgar House, has won a £235m (\$352m) contract to build a methanol plant in Trinidad and Tobago, just days after handing over a similar facility to the Caribbean Methanol Company.

The decision to more than double the country's methanol capacity was taken because of the low cost of gas in Trinidad and 'ts proximity and favoured access to the growing US market.

The US economic recovery and the resulting rise in house-building has boosted demand for timber resins based on methanol.

US and EU to set up dispute warning system

By Lionel Barber in Brussels

Senior US and European Commission officials yesterday agreed to set up an "early warning system" to identify and tackle potential transatlantic trade disputes.

The first issue to be tackled is an increasing US tendency to set conditions on the application of national treatment, Brussels officials said. This could lead to discrimination against European companies investing in the US in areas such as research and development, they said.

The talks in Brussels were the first effort to meet President Clinton's pledge on his recent trip to Europe to intensify EU-US co-operation. Both sides described the talks as productive. The two sides also discussed the post-Uruguay Round trade agenda, with the US again stating its interest in including workers' rights and environment policy.

A senior US official said it was important to develop a "quiet dialogue" to tackle disputes on audio-visual and public procurement which were not resolved in last December's Gatt agreement.

Commission officials welcomed the change in tone, but made clear they had no new offer to make on the audio-visual issue. It was better for the US and European industries to pursue the matter, one said.

The sub-cabinet level talks also agreed to intensify regulatory co-operation. A list of possible areas for future discussion includes mobile satellite phones, pesticides, and environmental waste packaging. A further area for co-operation includes exchange of views on new continent-wide information technology programmes being developed in the US and Europe such as the administration's National Information Infrastructure programme. "We want to ensure they do not run counter to each other," said one Brussels official.

Uruguay deal boosts world standardisation

Frances Williams on moves toward common technical, health and safety standards

The global trade accords concluded in the Uruguay Round last December will give a big boost to the power and prestige of the numerous international organisations concerned with the setting of technical, health and safety standards for industrial and agricultural products.

New agreements on food safety and animal and plant health regulations, and on technical barriers to trade, urge governments to make maximum use of international standards to prevent unnecessary obstacles to the free flow of goods.

Unlike the General Agreement on Tariffs and Trade's current voluntary "standards" code, which has about 40 signatories, the strengthened Uruguay Round accords will apply to all 115 Gatt members. Moreover, the dispute settlement mechanism which will come into force with the new World Trade Organisation next year will give governments better redress against the use of standards as disguised trade barriers.

The Uruguay Round accord on technical barriers to trade, which covers non-farm goods, requests countries to use international standards where they exist unless "ineffective or inappropriate" for the task.

It also encourages them to join and participate actively in the 28 or so international standards-setting bodies, especially the Geneva-based International Organisation for Standardisation and its sister institution, the International Electrotechnical Commission, which sets standards in electrical and electronic engineering.

The agreement can be expected to reinforce the impact of expanding world trade, globalisation of production and the increasingly rapid development of new products and technologies which have already prompted a big rise in demand for international standards to ensure worldwide compatibility.

This has been magnified in recent years, according to Mr Lawrence Eicher, ISO secretary general, by the spread of regional trading blocs, the integration of developing and former communist countries into the world trading system, and recognition of the need to avoid new trade barriers as tariff walls crumble.

ISO, a federation of 100 national standards bodies, has published more than 9,000 standards since it was set up in 1947, covering everything from screw dimensions and container sizes to car bumper heights and ski-boot bindings. Between them ISO and IEC, which has 42 active members, produce about 800 new and revised international standards each year.

In ISO's early days, the emphasis was on harmonisation of national standards. Now, increasingly, industry does not bother to formulate a national standard but asks immediately for an international one.

Maximum use of international standards would prevent unnecessary obstacles to the free flow of goods

This process has gone furthest in the European Union which decided near the outset of its single market programme that it was not going to repeat at an international level the trauma of harmonising standards across the 12 member states.

Since 1991, the EU's standards bodies – Cen (European Committee for Standardisation) and Cenelec (European Committee for Electrotechnical Standardisation) – have worked in parallel with ISO and IEC, producing the same or consistent standards which are issued simultaneously. For electrotechnical standards the overlap is already nearly 90 per cent and for other international standards it is 40-50 per cent.

Apart from saving time and effort in standards development, the EU move represents a big competitive advantage for European companies which can avoid the cost and inefficiency of playing to different sets of rules for the domestic and export market. The lesson has not been lost on members of other regional groupings, including the North American Free Trade Agreement which links the US, Canada and Mexico.

US companies have historically taken relatively little interest in international standards because they could prosper in the huge home market. As the importance of trade to the US economy has grown, so too have problems caused by a lack of international standardisation. Many US companies, for instance, still operate on the imperial system of weights and measures, 20 years after most of the rest of the world went over to metric.

Harmonisation of technical standards between the US and Canada under their 1988 bilateral free trade agreement has proved an arduous task, aggravated by the contrasting standards-setting systems. The US has several hundred industry and local government organisations contributing to national standards, while Canada has just a few standards-writing bodies.

The Nafta accord attempts to avoid adding unduly to these problems by requiring national standards to be based on international ones. Any more stringent measures will have to be harmonised at regional level.

The growing emphasis on international standards has made the writing of those standards itself a highly competitive industry. Under ISO procedures, if at least five countries agree to participate actively in developing a standard, a technical committee is set up with one of those countries providing the secretariat.

There is strong country rivalry for these secretariats, since it increases the chances that the international standard will reflect the priorities of the domestic industry.

Costa Rica seeks EU banana compromise

By Deborah Hargreaves

Costa Rica has asked the European Commission to make three important changes to its proposed banana import regime in an effort to break the deadlock in a long-running row between Latin American producers and the European Union.

A compromise plan offering Latin producers greater access to the European banana market was rejected last month after Costa Rica and Guatemala raised objections.

A condition for accepting the Commission's offer of an import ceiling of 2.1m tonnes of fruit would be for the Latin Americans to drop their complaint about the EU's banana regime to the General Agreement on Tariffs and Trade.

Costa Rica has asked the Commission to make the new import ceiling take effect this year rather than the beginning of 1995. The Costa Ricans also called on the EU to abolish tariffs whereby importers pay Ecus100 per tonne for deliveries within the ceiling and to remove the licensing system.

The tariff and licensing systems are ways of guaranteeing a market in the EU for higher-cost bananas from African, Caribbean and Pacific countries under Lomé Convention obligations. The UK and France would almost certainly raise objections to the abolition of the licensing system.

Costa Rica's acceptance of the import plan is crucial as the Commission has already said it would be prepared to leave Guatemala, which represents only 1.5 per cent of the EU market, out of the final agreement.

Latin American producers meet in Panama tomorrow to consider a proposal from Guatemala calling on the Commission to raise the import ceiling but remove individual country quotas, and reduce tariffs, with the receipts going as aid to ACP countries. But it also calls for the abolition of the licensing system.

Electricity industry price rises attacked

By Michael Smith

Britain's electricity distribution industry was accused by consumer groups yesterday of imposing £650m of "unjustified" price rises in the three years following privatisation.

The National Consumer Council and the Consumers' Association urged Offer, the electricity industry regulator, to claw back "excess returns" from the companies and cut prices. The two groups said domestic price rises of 13 per cent in the first three years after privatisation had failed to deliver a better service.

Their report is the latest criticising power distributors over price rises and profits, and accusing them of favouring shareholders over customers. It will renew the pressure on Offer to tighten financial controls on the companies.

Mr Nigel Griffiths, Labour's consumer spokesman, said the report showed the need for the government to put pressure on companies to give back money to consumers.

The issue is increasingly sensitive as the government prepares to impose value added tax of 8 per cent on electricity bills in April. That is just three months before Offer is due to complete a review of price controls that were put in place by the government at privatisation.

Protests over the companies' recent high profit rises suggest that even controls which the industry might regard as draconian would be regarded as inadequate by consumer and political opponents of privatisation.

One of Offer's problems is that the review only covers the power companies' distribution businesses, which account for about 25 per cent of final power bills. Tight controls would therefore have limited impact on final prices.

Both Offer and the power distributors frequently say prices have fallen in real terms since privatisation, particularly in the period since last April, not covered by yesterday's report.

They also point to improved service standards. However, yesterday's report, a response to an Offer consultation document, demonstrates the cynicism with which the industry's claims are greeted.

The Consumers' Association said companies could make a more than adequate profit without increased prices. "Offer has got to get its act together urgently," said Dr John Belshon, chief executive. "It has been sitting on its hands for too long."

The National Consumer Council said the regional companies' rate of return for the distribution businesses reached 9.2 per cent in 1992-93, compared with 6 per cent at British Gas and targets in the water industry of between 5 per cent and 6 per cent.

Members of the cabinet leave yesterday's meeting in Downing Street. From left, David Hunt, employment secretary; John Redwood, Welsh secretary; John Patten, education secretary and Michael Heseltine, trade and industry secretary Picture: Lydia van der Meer

Public-sector pay increases approved

The government yesterday backed away from a confrontation with public-sector trade unions by approving above-inflation pay rises of between 2.75 per cent and 3.0 per cent for nearly 1.5m workers, Kevin Brown and David Goodhart write.

The settlement follows cabinet approval for reports from pay review bodies covering teachers, senior civil servants, judges, the armed forces, nurses, and doctors and dentists.

The review bodies' recommendations will be met in full from April, with the exception of the armed forces, which will receive part of an average 3.6 per cent increase from January.

The settlement was rushed through to clear the way for a campaign to restore the government's battered authority before the local and European elections in the spring.

Prime minister John Major told the Commons in a written answer that the settlement was in line with a freeze on departmental pay bills announced last September. But City analysts said that the tone on public-sector pay had clearly softened and that it would be difficult to fund the nearly £1bn increase in the pay bill from productivity increases alone. Some analysts speculated that the combination of impending tax rises and elections had forced a more pragmatic stance.

The government has ruled out dipping into the contingency reserve to meet higher pay bills, but officials have said rises can be financed out of savings in running costs as well as pay bills.

Mr Gordon Brown, shadow chancellor, said it was a theoretical pay rise and many people would pay for it with their jobs.

Major demands an end to Tory party in-fighting

By Philip Stephens, Political Editor

Mr John Major last night moved to shore up his premiership with a blunt and unprecedented warning that disunity among Conservative MPs could cost the party the next general election.

At a hastily called meeting of the influential 1922 committee, attended by nearly 200 of the party's backbench MPs, Mr Major said that errant or disloyal ministers in future would be sacked from the government. He would put the country and party ahead of personal friendships.

His comments won warm applause, but some MPs suggested later that unless the warning was followed by a much surer approach in running the government, it would do little to restore the party's popularity with the voters.

The speech, dubbed by those attending as the beginning of a "No more Mr Nice Guy" approach from Mr Major, marked the second move within two days by the prime minister to restore his battered authority.

Earlier this week he dismissed right-wing Tory MPs who had demanded that he reshuffle his cabinet.

With many MPs openly speculating that Mr Major's own future would depend on the outcome of the local and European elections in the summer, he decided last night to go much further in attempting to shore up his premiership.

In a 20-minute address he acknowledged that the party had been riven by infighting between right and left and between pro- and anti-Europeans. "The sniping has to stop, the feuding has to stop, the squandering of energies on petty factionalism has to stop. We have to unite and fight for what we believe in," he said.

He said the economic recovery was strengthening, inflation would remain low, unemployment would continue to fall and British exporters had unprecented opportunities. In those circumstances, he added: "I am not prepared to stand quietly by and see our party squander its power and lose its opportunity for good".

He flatly rejected the arguments of those on the right of the party that the Conservatives needed a period in opposition to rebuild their philosophy and energy. Remarking that about two-thirds of the present parliamentary party had no experience in opposition, he added: "We don't know what it is like but I bet it's miserable and frustrating".

Britain in brief

Unionists to publish peace plans

The Ulster Unionist party is planning to publish within three weeks its proposals for a new political settlement in Northern Ireland in a move likely to put pressure on London to keep the talks process moving forward.

This emerged yesterday as Mr John Major underlined the UK government's determination to press ahead with political talks in a move designed to wrest back the initiative from Sinn Féin after this week's highly publicised visit to the US by Mr Gerry Adams.

Progress in the province "cannot and will not wait for Sinn Féin", the prime minister told MPs at question time in the Commons. The government would "actively carry forward the political talks with the constitutional parties and with the Irish government".

French to bid for Swans

French shipbuilder Constructions Mécaniques de Normandie, which recently beat Swan Hunter in the fight for a £50m Oman patrol boats order, last night confirmed it intends to make an offer to buy the Tyneside yard. The news is the firmest sign yet that Swan Hunter, in receivership since May, may find a buyer and continue as a shipbuilder with a substantial workforce.

Speaking after two days of talks on Tyneside, Mr Fred Henderson, chairman of English subsidiary CMN Support Services, said: "We intend to make an offer subject to the preconditions being sorted out."

Court move on Maxwell show

Sir Nicholas Lyell QC, Britain's attorney-general, will attempt to stop the curtain rising on *Maxwell: The Musical*, the London show chronicling the life of Robert Maxwell.

Fears that the musical might prejudice the criminal trial of the late publisher's sons, Kevin and Ian, has prompted Sir Nicholas to apply to the High Court on Monday for an injunction to halt the production. The musical 1m, tells the tycoon's story through updated versions of Gilbert and Sullivan songs, is due to open at the Criterion theatre on February 11.

Car demand still patchy

The recovery in UK new car demand has been uneven across the country with the economies of some regions remaining weak, according to figures released by the Retail Motor Industry Federation.

Overall UK new car sales rose by 11.6 per cent last year to 1.78m, but some regions were scarcely touched by the recovery. The best performing region in 1993 was the East Midlands, where sales rose by 15.6 per cent. By contrast new car sales in the south-west of England rose only marginally by 0.3 per cent.

Delivery firm collapses

Elan International, the midlands express freight and parcels delivery company, has collapsed, putting 720 people out of work and leaving debts of £5.9m. The company, one of the top 20 in a competitive sector, called in a liquidator on Wednesday afternoon when it had run out of funds with which to carry on trading.

The collapse of the company comes as the parcels delivery market, often seen as an economic barometer, is stabilising after recession.

Move to rein in drug costs

The government is considering extending a scheme giving family doctors an incentive to prescribe economically, as part of a drive to rein in spiralling drugs costs.

Ministers are keen to expand the scope of present arrangements permitting General Practitioners whose prescribing costs fall below a target level to keep a proportion of their savings.

The need for action was underlined by last month's announcement that allocations for GP prescribing for 1994-95 have been increased by 12.3 per cent. This means GPs in England are expected to spend a total of £3.2bn on drugs.

No prosecution for 'war crimes'

Scottish legal authorities have decided not to prosecute 17 alleged war criminals living in Scotland.

The Jerusalem-based Simon Wiesenthal Centre said the decision meant killers would never be brought to trial and was a "terrible blow" to efforts to bring Holocaust murderers to justice.

The Crown Office, responsible for prosecutions in Scotland, said no prosecutions are to be brought against the alleged criminals because of a lack of sufficient evidence. A specialist investigation unit set up in May 1991 will be disbanded, although the inquiry could be reopened if fresh evidence emerged.

Toys R Us acquitted

The High Court in London yesterday ruled that the Toys R Us chain was wrongly convicted and fined £22,200 for putting price tags on items which did not tally with till prices.

Two judges said in a test case the group should be acquitted of 34 offences of misleading the public because it was company practice for staff to check that ticket prices on items "available for sale" matched those appearing on the bar codes read at the tills. When discrepancies occurred, till operators were required to charge the customer the lower ticket price.

Film institute warned over festival budget

By Motoko Rich

The British Film Institute overspent by £108,000 at its London Film Festival last year because of poor budgetary control, says a report by Britain's National Audit Office.

It warns that audiences are perilously low at the National Film Theatre and the Museum of the Moving Image, both in London.

The report says that the institute's senior management agreed to unrealistic budgets for the festival and officials were not monitored sufficiently.

Mr Wilf Stevenson, BFI director, said: "I think the report is a little unkind to us. We have to decide what films we are going to screen in advance of knowing whether we are going to get audiences or not. The festival is by definition risky and experimental and it is in its nature that you are bound to have uncertain spending patterns."

He added: "The expenditure overruns will not happen again because we have put in better controls."

The report pinpoints the South Bank's National Film Theatre and Museum of the Moving Image as vulnerable parts of the institute's operation. Last year the National Film Theatre filled 31,000 fewer seats than budgeted. The report cites the recession and increasing competition from television as reasons for declining ticket sales.

Mr Stevenson said: "We want to take account of the changes in viewer behaviour. We will try to offer what TV can't – what we call 'live cinema' – bringing in film makers to introduce their movies."

Visitor figures for the Museum of the Moving Image have fallen from 536,000 in 1989-90 to 368,000 in 1992-93. Audience levels are about half the level needed to break even.

Mr Stevenson said: "A recent visitor survey said the Museum of the Moving Image was the most popular attraction in London so we obviously have a good product."

The report emphasised that the NAO was impressed with the BFI's cultural services and the enthusiasm and commitment of its staff.

- Last year a record 93 per cent of seven to 11-year-olds went to the cinema at least once – generally bringing a parent along too, according to attendance figures released this week by the Cinema Advertising Association.

Almost seven in 10 people in Britain went to the movies last year, with attendances reaching 113m. The figures are the highest since 1978 and this is the ninth successive year of growth.

Accountants writing off in search of a partnership

By Andrew Jack

A small London accountancy firm hopes to capitalise on the consequences of the profession's unfortunate image as boring.

In what must be the most unusual diversification yet from the core work of audit and tax advice, George & Co, an accountancy firm based in Enfield, has launched a dating agency for accountants.

Just in time for Valentine's Day, it placed an advertisement this week announcing its services in Pass, a magazine for trainee accountants.

"Prolink" is now taking calls from romance-seeking accountants and other professionals seeking similar for meals, films and discussions about double-entry bookkeeping.

Mr Paul George, who dreamed up the service, said it reflected accountants' suspicion with using existing computer dating agencies. He said there was a market for accountants to meet each other, because of their reputation in others' eyes as boring, and to allow them to talk about their specialist work.

Dateline, the world's largest computer dating agency, said more than 10 per cent of all new male applicants were accountants, reflecting the loneliness of the job and its dominance by men.

Young accountants yesterday expressed scepticism about the service. "I think we meet enough accountants here already," said Ms Natalie Marchant, who works for Price Waterhouse and said she would not date an accountant.

But she added hastily: "In principle there's nothing wrong with it. People's perceptions of the job are different from what it's actually like."

Mr Giles Davies, a colleague, said: "It's a bit sad. The assumptions behind it come right out of Monty Python. Accountants do date a lot, but largely when they are training and no one else understands the pressures. It's a shame if you don't broaden your horizons afterwards."

But Prolink may well have identified a niche in the market. It has apparently already received nearly 50 inquiries from romance-seeking accountants seeking similar.

Mr George said he was not currently dating an accountant himself.

Lloyd's posts 'satisfactory' increase in capacity

By Richard Lapper

Lloyd's of London yesterday announced that its capacity – the amount of premium its syndicates are allowed to accept – will increase towards the upper end of expectations to £10.9bn in 1994, compared with £8.9bn in 1993.

Corporate investors supplied £1.6bn in capacity, while individual Names, who have traditionally provided the insurance market's capital base, are committing £9.3bn.

"It is a very satisfactory situation for the market to be in and as good as we could possibly have hoped," said Mr David Rowland, chairman. An increase in average commitments by individual Names partially reflected the relaxation of solvency requirements and helped offset a decline in the number of Names to 18,022 from 19,537.

Ninety-five corporate members – most of which are subsidiaries of more than a dozen Lloyd's investment trusts – have joined the market. So-called "working Names" – who work with agencies and brokers at Lloyd's – raised their average involvement to £372,000 from £318,000, while external Names raised their overall premium limits to £561,000 from £486,000 in 1993.

The total number of Lloyd's syndicates fell to 179 from 228 at the start of 1993, underlining recent rationalisation in the market. More than 400 syndicates underwrote in 1990.

Lloyd's, which is expecting to make profits when it reports its results for 1993 in 1996 – in line with its three-year accounting system – said that the recent Los Angeles earthquake was unlikely to affect its 1994 results.

Mr Rowland said that the London market would not be affected unless total insured losses exceeded $3.5bn (£2.33bn). Insured losses are currently expected to be less than that figure.

"It is a major event in California but it is not a major incident in terms of the Lloyd's market," said Mr Rowland.

Mr Rowland also announced that Lloyd's was considering changes to new voting rules, after protests by Names action groups.

Lloyd's took the first steps to weight its voting system in favour of Names committing greater amounts of capital to the market last year.

But many existing individual Names argued that they could be forced to pay levies as a result of votes cast by corporate capital, which itself has protection from such levies.

Old allies reassess their not-so-special relationship

Philip Stephens on the damage to Anglo-US understanding after the Adams visa row

It is not, as some have claimed, the worst breach in UK-US relations since Suez. Far from it. But nor is it the the minor squall claimed by 10 Downing Street.

The decision by President Bill Clinton to offer Mr Gerry Adams of Sinn Féin a public relations coup in New York was remarkable not so much in terms of any new damage inflicted on Anglo-US relations.

Seen through the focus of Whitehall, its real significance lay in what it revealed about the state that relationship had already reached. It is not an encouraging picture.

But first the hyperbole – expressed in headlines declaring an end to "the special relationship" – should be cleared away.

The wide-ranging identity of interests which has long provided the foundation for close ties between London and Washington has never guaranteed a trouble-free friendship.

A flick through Baroness Thatcher's account of her days in Downing Street provides ample evidence that even her famous partnership with President Ronald Reagan had its ups-and-downs. The row over the US invasion of Grenada is an obvious example. As one senior minister put it yesterday, even happily married couples occasionally fall out.

And both sides were clearly anxious this week to isolate the latest disagreement from the broader relationship. The White House put out what the New York Times described as a lengthy and conciliatory statement emphasising: "The importance that the US attaches to close co-operation with our British ally on a range of global issues."

For its part the Downing Street press office, now run by Mr Chris Meyer, the former number two in Britain's Washington embassy, was insistent that the relationship was alive, well and vigorous.

In the narrow terms of the Irish problem, there was also a suggestion that if Mr Adams had done well this week, the trip might in the longer term do some good.

The Sinn Féin leader offered no concessions to his hosts in terms of peace. Mr Clinton has dropped his campaign pledge to send a peace envoy to Northern Ireland.

The White House cannot accept the Downing Street view which denies any other government outside the British Isles a legitimate interest in the conflict.

But British officials are hopeful that as long as the London and Dublin governments stick together in their approach to peace, then Mr Clinton will think twice before granting Mr Adams another visa.

Scratch beneath the surface though, and it does not take long to discover real unease about the transatlantic relationship.

There is the concern that Mr Clinton is still surrounded by aides who want to downgrade Britain's status. Resentments still burn against the Home Office investigation into Mr Clinton's spell at Oxford in the 1960s and Tory party help for the Republicans during the US election campaign.

Mr Major, received warmly in Washington a year ago, has since been denied the ready access to the president that he could take for granted from Mr George Bush. There is a distinct absence of personal chemistry. At last month's Nato summit, President François Mitterrand and Chancellor Helmut Kohl were the centre of US attention.

Last year's transatlantic dispute over the West's approach to Bosnia did not help. Nor, in the view of some Whitehall officials, does the Euro-sceptic rhetoric that Mr Major adopts to appease the right of the Conservative party.

The weight Washington attaches to British views is in direct proportion to the role London plays within the European Union. That link between influence in Brussels and in Washington is likely to strengthen rather than weaken as the US reduces its commitments in Europe.

In the old days of the cold war the US needed an ally whose reflex was almost always to support Washington's stance. In a world where the Communist bloc no longer exists and Russia poses a much reduced threat, that imperative is no longer quite so powerful.

The argument can be overstated. For all its relative decline, Britain still holds an important place as a reliable ally. The State Department and the Foreign Office have the sort of easy relationship that comes with the habit of agreeing. When Mr Major visits the White House at the end of this month, the odds are that he will get a enthusiastic welcome. But the world has changed. Ironically former Presidents Reagan and Bush and the now Lady Thatcher were reunited in Washington last night for a gala birthday party. You could almost hear them tut-tutting.

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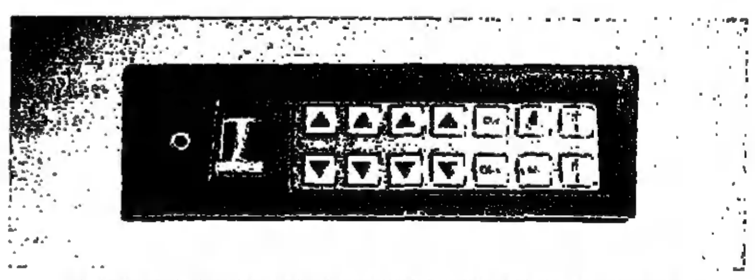

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MANAGEMENT

Lucy Kellaway applauds new calls to reverse the damaging proliferation of jargon

Time to walk the talk

First there was management jargon. Now there is management jargon to describe the management jargon. "Corporate graffiti", the latest addition to the language, is a derogatory term for a company's unthinking use of the lingo. It is (literally) the catch-phrase to end all catch-phrases.

It is high time there was a backlash against this opaque, ugly and cliche-ridden language. Action-centred leadership. Benchmarking. Competences. Downsize. Empowerment. Globalisation. You can go through the alphabet many times without exhausting the vocabulary of management-speak. Open any management book and you may find yourself suffering from what is known in the jargon as the "mego" syndrome – my eyes glaze over.

"Corporate graffiti" has been coined by Tom Robertson, newly appointed professor of marketing at London Business School. The notion came to him one day when he was thumbing through annual reports of US computer companies. He noticed that each claimed to be "market driven", and talked about "time-based competition" and "core-based competences".

He regards these notions as the "holy grail of management" (instinctively coining another phase) and argues that "the holy grail is dysfunctional as it distracts from getting on with the business".

Robertson is not alone. At the Industrial Society, Andrew Forrest, director of "human resources", is staging a rearguard action, teaching companies that if they want to say anything they should use words that everyone can grasp. "It's like fighting through fog to understand what they are talking about," he says.

Some management talk is simply naff. "Global" means no more than international. "Marketplace" is a cute way of saying market.

Then there are the euphemisms. Enlightened organisations do not have workers any more. They have "people". Caring companies do not fire people, instead they "downsize" the organisation. Some go one step further and engage in "rightsizing", fearing that the word "down" might have negative connotations.

Companies of the 1990s have "partners", not suppliers. They do, of course, still have customers whom they claim to worship. Unisys, the US computer company, has developed a "customerise philosophy" to get the message across.

Next are phrases to describe a company's professed beliefs. We have corporate missions, corporate value statements, corporate visions. The nouns are bad enough but the verbs are worse. We are meant to "live" the mission, "inbed" the vision. The work force has to "buy into" all new initiatives (ie to accept them) and thereafter "take ownership".

But the area in which jargon has made the most serious inroads is in business strategy. Total quality management, business process re-engineering, benchmarking, learning organisations, time-based competition, the list goes on.

There is often a good excuse for these phrases. Most are a shorthand for a more complicated notion. The danger is that different people mean different things by the words, or they just use the words because it makes them feel in the swing of things. "Business process re-engineering doesn't come tripping off the tongue. People have five different ideas of what the phase means, and so it simply causes confusion," says Forrest.

It is not hard to see why the words have proliferated. One reason is that all management writers and consultants want to be famous; they come up with an idea and then give it a brand name. Once created the words catch on. According to Forrest, people use the words to make themselves appear more knowledgeable then they are. "It is easy to slip into jargon to make people think you have something snappy to say," he says.

Some industries are more prone to jargon than others. The electronics companies are perhaps the worst. While others talk of the office as the "workplace", computer companies have gone one step further and call it the "enterprise environment".

So what can be done? Management speak is so entrenched it is hard to see how it could change. Yet Robertson thinks things will change if companies direct their attention to the subject rather than the words. There is a special piece of management jargon that says just that. Companies should "walk the talk".

Death by a thousand new-fangled buzzwords

Three ideas, concepts or models – call them what you will depending on your need for embellishment – are currently floating about in the management world. One is empowerment, an ugly transatlantic neologism which suggests that ordinary workers want, enjoy and benefit from being empowered. Of course, with power comes responsibility, and it is not clear that workers who warm to the former are equally happy about the latter. Also, the empowerment of one group usually means the disempowerment of another group, frequently the former's bosses.

The next idea is delayering, which is a simple, but enormously consequential, structural issue.

For all sorts of reasons, including obvious ones such as a set span of control, many organisations are very tall with many ranks, levels or layers.

Models such as the Catholic church are held up, which despite its size has only three or four levels under its CEO, the Bishop of Rome. So the preferred solution, and one which can be done with a stroke of the pen on the organisational chart, is to take out one, two or more levels of management.

The next idea, borrowed from the tough, masculine, no-nonsense world of heavy industry is re-engineering. Though, as in all of these concepts, there is some disagreement as to the precise meaning of the term, it implies that organisations are structurally and functionally redesigned. Just as the old, complicated, steam engine was re-engineered into the sleek bullet train, so elaborate, traditional organisations can be streamlined.

What these three new ideas have in common is that they usually lead to a similar result. Bluntly, these new-fangled ideas usually mean the sacking of middle management.

Is this culling a good idea? Are most middle managers Peter-principled, disengaged and therefore really pretty redundant? If so, why did that situation arise in the first place? What is the role of someone between the front-line supervisor and the directors?

In some organisations, middle managers will not be missed because senior or top managers were performing their jobs. The owners directed, the directors managed, the managers supervised, the supervisors worked. The job of directors and top managers is predominantly planning, forward looking and "visionary". The job of the supervisor is primarily operational, day-to-day management.

About 70 per cent of the time of the former is for thinking ahead and doing work that cannot be delegated, while about the same amount of the time of the latter is working with and through people at the coalface.

The middle manager – the departmental head, the divisional chief and the co-ordinator – supposedly did some planning, some man-management and even practised some of the skill for which they had been trained. Some were simply bureaucrats, some against any change which threatened their stability, and some simply incompetent.

Perhaps most organisations simply had too many middle managers and a bit of judicious pruning was rather a good idea. But to remove a whole level, or layer, or generation, may be exceptionally foolhardy, at least until its function is fully understood.

- Adrian Furnham

Throw out the old yardsticks

Building societies need a better rating system, says Peter Welch

Conventional wisdom has it that growing competition in the financial services market will force building societies to adopt leaner and flatter management structures. Those that do not will, as a result, have to merge with more successful competitors.

However fashionable it may be, this line of argument misses the distinctive management challenges facing building societies. Individual societies may have fat to cut but the sector as a whole is already lean and getting leaner. Many of the new challenges arise from the growing complexity of their activities over the past decade:

- Their core mortgage and deposit business has been overlaid with much greater product differentiation.
- They have become significant intermediaries in the sale of life and general insurance, and a number have set up their own insurance operations.
- Many large societies have diversified into new activities such as credit cards, current accounts, unit trusts, estate agency and property development. A small number have set up operations in continental Europe.

The real challenge facing societies' management is the move from a simple two-product business to a complex multi-product group of businesses. Applying a mutual ownership structure to this new environment adds to the complexity.

At the heart of this exercise is the need for new ways to assess organisational performance. Many traditional measures now give misleading signals. Rising staffing levels or cost ratios may say more about a society's changing business than about its operational efficiency. This becomes clear if group performance, which includes subsidiary companies, is compared with that of the society alone. Many of the new activities are undertaken through subsidiaries of the society.

On this page last year two Northern Irish academics, Charlie Ferguson and Donal McKillop, attached great importance to the finding that between 1989 and 1992 the number of head office and administrative staff of most large societies increased by more than the number of branch staff ("A bureaucratic legacy", November 5 1993). They cited this as evidence of lingering bureaucracy.

But their finding begs the question about what has driven the increase. Take the Alliance & Leicester, which shows the largest jump in head-office and administrative staff over the period. According to Ferguson and McKillop, its headcount grew threefold from 1,815 employees in 1989 to 5,990 in 1992. But most of this increase reflects the acquisition of Girobank in July 1990, with its more labour-intensive portfolio of activities. Excluding Girobank and other subsidiaries, Alliance & Leicester's head-office and administrative staff only increased by 200 between 1989 and 1992.

The Alliance & Leicester's experience is indicative of the sector as a whole. The value of assets per building society employee grew from £2.8m in 1989 to £3.7m in 1992, an increase of a third. Taking the most comprehensive yardstick, societies' management expenses – which cover staff and other operating costs – fell from a low 1.22 per cent of their assets in 1989 to 1.07 per cent in 1992.

If the measures are recalculated to include the assets and staff of subsidiaries, societies' organisational performance looks very different. The value of assets per employee falls from £3.7m to £2.9m. Management expenses rise from 1.07 to 1.4 per cent of assets.

This does not tell us that societies' subsidiaries are more bureaucratic than their core business nor that diversification has been unsuccessful; only that traditional measures of organisational performance have become less reliable. Total assets may be the wrong yardstick to measure the staffing levels and cost structures of a building society whose activities extend beyond mortgage lending.

The author is a London-based consultant.

The Business For Sale section also appears today on page 12

Securum looks to the Ark to stay afloat

Vanessa Houlder on the UK disposal strategy adopted by Sweden's Securum Property Holdings

Securum Property Holdings is one [redacted] the most important new [redacted] players in the [redacted] property market. But, unlike other newcomers, its jobs is to sell, not buy, commercial property.

The company [redacted]s set up last November [redacted] liquidate the UK property [redacted] secured on loans made by Nordbanken, a Swedish bank that [redacted] the single biggest casualty [redacted] the crisis in Sweden's banking [redacted] in the late [redacted].

Securum Property Holdings [redacted] a subsidiary [redacted] Securum, which was created by the Swedish government in October 1992 [redacted] take [redacted] Nordbanken's portfolio [redacted] SKr67bn in bad and doubtful loans. Securum's [redacted] was "to recover ... non-performing loans and loss exposures ... by taking possession of the underlying assets, assuming [redacted] active ownership role [redacted] creating future growth in value".

Securum's UK holdings, which [redacted] its largest [redacted] operation, includes Bricom, an airport servic[redacted] and parcel delivery company; a hotel [redacted] that operates seven hotels; and [redacted] finance subsidiary.

The largest component [redacted] operation [redacted] property, which [redacted] for 60 per [redacted] of [redacted] loans. These [redacted] originally [redacted] between [redacted] written down to £380m at end of [redacted] decline in UK property values a contributory factor.

Overseeing [redacted] refurbishment [redacted] possible [redacted] the UK properties [redacted] the responsibility [redacted] Mr Phil Alexander, [redacted] previous experience includes dismantling [redacted] of the failed Mountleigh [redacted] Rosehaugh property portfolios. Securum [redacted]ents a special set of problems arising from its unique origins. Moreover, there were [redacted] complications relating [redacted] the bad loan-book.

The UK portfolio includes [redacted] properties, which [redacted] developed by [redacted] than 100 individuals and are spread throughout the country. The portfolio, which is mainly split between offices (60 per cent), retail [redacted] per cent) and industrial (27 per cent), [redacted] some in prime locations, such as Bond Street in central London. But many of the properties are in secondary locations, largely because Nordbanken loaned [redacted] developers active [redacted] the end [redacted] the last UK property cycle whose [redacted] were often concentrated in fringe locations.

One example in Securum's portfo[redacted] its [redacted] property, the Ark, a striking, award-winning development built by Ake Larson [redacted] Swedish contractor, in Hammersmith, [redacted] London.

Bringing [redacted] to this [redacted] portfolio is a priority for Securum Property Holdings. "At the moment we have a mish-mash of buildings. We are trying to get some reasoning into our portfolio," says Mr Alexander. "We are trying to build up a well-balanced portfolio," he adds.

Mr [redacted] strategy is [redacted] the buildings which [redacted] not need, or do not justify, a further expenditure of effort. Last year, Securum Property Holdings sold properties totalling £34m. The biggest sale was the 57,000 sq ft Adelaide House in Chiswick in west London, which was bought by Postel for about £15m. A similar amount [redacted] property [redacted] due [redacted] be sold this year.

Mr Alexander believes the remaining [redacted] of the portfolio has the potential to [redacted] in value. His initial goal is to reduce the [redacted] rate from a current uncomfortably high level in [redacted] of [redacted] per cent to 10 per cent in the next 12 months. Much depends on finding tenants for the Ark, which accounts for 10 per cent of the portfolio by square footage. "The key to achieving our objective is [redacted] ensure lettings at the Ark," [redacted] Mr Alexander.

In addition, Securum Property Holdings [redacted] it [redacted] add [redacted] its properties by investing in them. For instance, one of the [redacted] loans made by Nordbanken in the UK was for an [redacted] development at Kingston, Surrey. Today [redacted] development's value is less than a tenth of the original £11m loan, largely the result of the developers contravening planning permission by building without the agreed number of park[redacted]. But Securum Property Holdings believes the development [redacted] of its [redacted] with [redacted] further [redacted] by buying adjacent land, building a [redacted] park [redacted] finding [redacted].

Mr Alexander's goal [redacted] build up the UK portfolio [redacted] a core property group worth [redacted] by 1995. [redacted] determined, ultimately, [redacted] sell Securum Property Holdings in [redacted] entirety. "Selling [redacted] properties [redacted] by one is not the way we can best [redacted] value," [redacted]. His plan [redacted] to [redacted] core portfolio by [redacted] possi[redacted] through a [redacted] reverse takeover. "We want to round [redacted] strategy [redacted] adding value for the Swedish taxpayer," [redacted].

Overseas investment rises to £2.2bn on back of low UK rates

The changing opportunities and pressures facing overseas investors in UK commercial property are highlighted in a report published this week by DTZ Debenham Thorpe, chartered surveyors, writes Vanessa Houlder.

Overseas direct investment in property [redacted] from £1.3bn [redacted] £2.2bn in [redacted] German, Middle Eastern and south-east [redacted] investors [redacted] the most prominent buyers [redacted] respond to [redacted] low UK [redacted] sterling's devaluation.

A surprising [redacted] of [redacted] was the limited number of sales by overseas investors, which totalled about £400m; 60 per cent of sales were by Swedish and Japanese [redacted]. Heavier selling had been anticipated by many in [redacted] industry as [redacted] result of the difficult [redacted] in the [redacted] western [redacted].

[redacted] the [redacted] by [redacted] property holders [redacted] for by the developer Kumagai Gumi, rather than [redacted]. In [redacted] property owners, the transfer of some bad loans to Securum reduced the pressure [redacted] quickly.

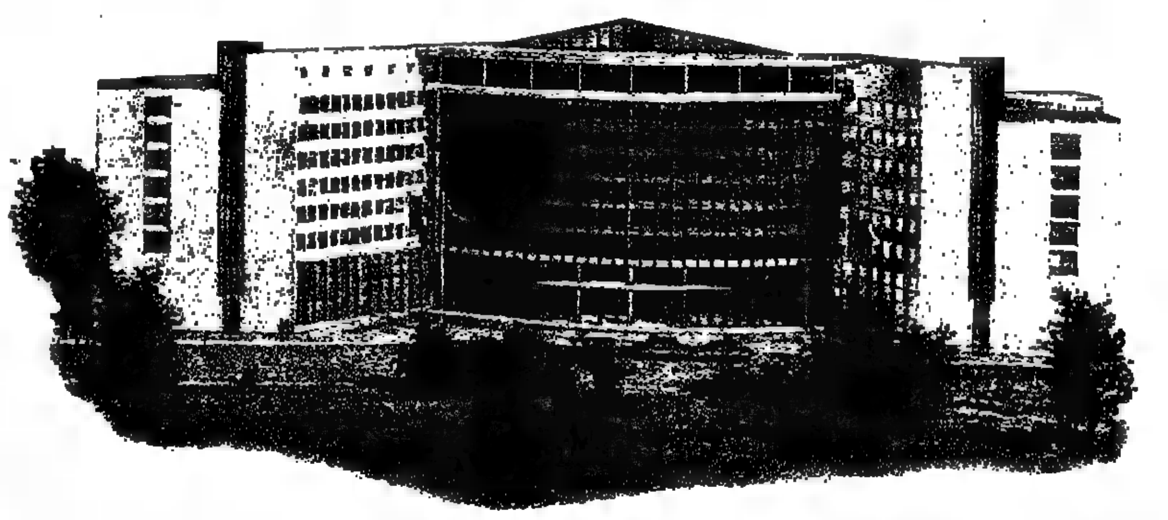
Some of the problems experi[redacted] by overseas [redacted] the [redacted] are [redacted] less likely to recur. The recent pattern of overseas investment has seen [redacted] shift in emphasis [redacted] from acquisition for entrepreneurial or development purposes, which predominated in the late [redacted], in favour of standing investments [redacted] greater security [redacted] income.

In deep water: [redacted] Ark, an award-winning Swedish development

Changes in property values [redacted]

	Retail		Office		Industrial		All	
	[redacted] 93	[redacted] Dec [redacted]	Year to [redacted] 93	Mnth [redacted] 93	[redacted]	Mnth of Dec 93	Year to [redacted] 93	[redacted] of Dec [redacted]
Rental growth	[redacted]	-0.1	-14.5	-0.5	[redacted]	-0.4	-8.0	-0.3
Capital [redacted]	8.7	[redacted]	4.2	2.5	[redacted]	[redacted]	8.3	[redacted]
[redacted]	17.6	4.1	16.0	3.3	15.8	2.9	16.4	3.6
[redacted]	8.3		[redacted]		10.5		[redacted]	

Source: IPD Monthly Index, Investment Property Databank



TECHNOLOGY

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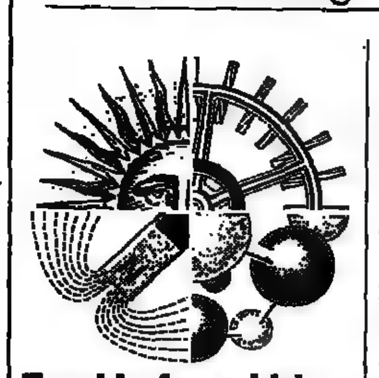


Trouble-free shirt all sewn up

Japanese technology [illegible] on the way to developing what must [illegible] the [illegible] most [illegible] shirt, writes William Dawkins.

Sanyo Shokai, a clothing company, and Bridgestone, the tyre producer, have developed an all but indestructible method of fixing buttons to clothes.

The technique, due in shops for the autumn, comes hot on the heels of the "memory" [illegible] that automatically holds its wrinkle-free shape after washing.

The key to Sanyo Shokai's button [illegible] of clear urethane [illegible] the [illegible] The flexible resin seeps into the fibres and hardens, making the [illegible] almost indestructible. The [illegible] tiny: [illegible] (1p) [illegible] Y3 per button.

At first, Sanyo Shokai plans to use the treatment for heavy-duty buttons on [illegible] and coats. But the logical next step, unpopable [illegible] "memory" shirts, cannot be far away. Sanyo Shokai: Japan, [illegible] 4111.

Virtual reality hits the surf

[illegible] breakthrough in electro-mechanical technology could soon enable people to simulate surfing, skiing or even hang gliding in the privacy of [illegible] booth.

The "virtual motion" system, developed in [illegible] by Denne Developments, replaces traditional mechanical hydraulics with computer-controlled pistons.

[illegible] in the "ski" or "surf" board measure when the would-be athlete puts pressure on the board. The computer then sends instructions to a host of copper [illegible] which line a series of copper cylinders. Inside the [illegible] are [illegible] powerful magnets along their length. When the electrical pulses activate the copper coils, the magnets react, shifting the pistons and so the board. The whole ensemble is finished off with a virtual reality headset. Denne Developments: UK, 0202 861661.

Hydraulics prefer water to oil

Danfoss, the Danish manufacturing group, has launched a programme of hydraulic components based on water rather than oil, the liquid normally [illegible] in hydraulics machinery, [illegible] Hilary [illegible]

[illegible] reduces pollution [illegible] disposal problems, but can cause problems such as corrosion, which [illegible] company [illegible]

Danfoss, based at Nordborg, believes its range of water-based hydraulics, which includes a hydraulic [illegible] will be especially suitable where hygiene is paramount, such as the food and pharmaceutical industries. Danfoss: Denmark, [illegible] 88 22 [illegible]

Banks put IT on top of shopping list

Banks in the US are spending heavily on information technology, according to a survey from Ernst and Young.

According to the report, [illegible] with assets of more than $1bn (£600m) increased their total spending on IT by [illegible] per [illegible] to $15.3bn in 1993. This is the [illegible] IT spending by the banks has [illegible] higher than the rate of inflation, according to the report. Big areas of spending include customer [illegible] teller machines. Ernst and Young: US, 212 [illegible] 2527.

Dutch cable viewers get CD sound

Dutch cable [illegible] will [illegible] first in Europe to sample a music channel which squeezes up to 68 channels of CD-quality music down the cable between the sound and pictures [illegible]

Music Choice Europe transmits the digital sound in the spare spectrum between broadcasts. Once it reaches the home, a directional coupler splits off the music [illegible] of the signal and feeds it [illegible] Music Choice Europe [illegible] The tuner plugs into the amplifier of any hi-fi system. MC Europe: UK, 071 724 9494.

The Mining Academy depended on brown coal for its existence. Now an environmentally friendly coal might be its salvation

Brown coal with green appeal

Despite a lack of resources, an east German institute has developed a clean briquette, writes Judy Dempsey

Years of research are finally paying off for the Mining Academy of Freiberg, in the east German state of Saxony: its Institute for Agglomeration and Air Pollution is scheduled to mass-produce an environmentally friendly brown coal briquette.

Not all east Germans can take the [illegible] seriously. "You're telling me that a 'green' lignite briquette exists?" says Jochen Höfer, a former miner. "I know all about the lignite. The dirty, dusty air. [illegible] inhaled the stuff for more than 40 years, and we burned the stuff in our homes."

Wolfgang Naundorf, head of the institute, is not surprised by such descriptions: "Precisely because lignite [illegible] such a high [illegible] of sulphuric acid, [illegible] began research on inventing [illegible] briquette during the [illegible] we [illegible] air."

At first, [illegible] experiments [illegible] haphazard. This was largely because the former communist authorities in east Germany had no inclination to fund [illegible] which might slow [illegible] production [illegible] brown coal. Until unification, brown coal accounted for more than [illegible] of primary [illegible] consumption in [illegible] states.

"[illegible] got [illegible] financing or support for our [illegible] purely [illegible] exercise," [illegible] Naundorf. Despite [illegible] of [illegible] and [illegible] equipment, the [illegible] persevered.

[illegible] Wallenberg, [illegible] scientists involved [illegible] research, explains how, after many attempts, they found the successful formula. They [illegible] hydrate (a combination of lime, chalk and gypsum) [illegible] of [illegible] lignite. The calcium hydrate [illegible] with the lignite as a [illegible] sion in water.

The added calcium compounds reduced sulphuric acid emissions when the briquettes were burnt but [illegible] disadvantage of weakening their structure. The researchers [illegible] the briquettes again by adding [illegible] pulverised hard-coal coke, or [illegible]

"The sulphuric acid [illegible] have been [illegible] from 3 per [illegible] 0.5 [illegible] calorific, or heating [illegible] by [illegible] 5 and 10 per cent," [illegible] Wallenberg.

The institute could not [illegible] tinued [illegible] research had it [illegible] received a contract last year from the giant Mitteldeutsche Braunkohle (Mibrag) lignite fields which straddle the states of Saxony and Saxony-Anhalt, and which [illegible] being sold to an Anglo-American [illegible] by [illegible] Power-Gen and NRG of the US. "After [illegible] discussion, the consortium, although pretty sceptical about their value, decided to keep two of Mibrag's briquette-producing factories open," [illegible] Neudert, [illegible] of one of Mibrag's engineering departments.

Naundorf says: "We had to work [illegible] a dry [illegible] basis, Mibrag has one of the highest sulphuric acid [illegible] in Germany. It [illegible] per cent. [illegible] European [illegible] regulations, any solid fuels burned in small-scale outlets, for [illegible] for domestic heating, must be reduced to 1 per cent by January [illegible] otherwise they [illegible] be closed down." The contract [illegible] to complete its [illegible] successfully.

The institute's staff [illegible] one contract will not secure their future. At present, the state of Saxony provides a third of the institute's [illegible] The remaining two-thirds has to be raised by the staff even though they have had no previous experience of seeking [illegible] grants. [illegible] research department [illegible] reduced by 10 to 16 members.

[illegible] need to secure more contracts to raise financing is even more critical because the academy is [illegible] with probably [illegible] serious crisis since [illegible] foundation in [illegible] collapse of manufacturing, and the shortage of students.

The closure of large heavy industry enterprises [illegible] brown coal has been followed by the rapid run-down of [illegible] region's mining [illegible] 100,000 mining jobs have been lost and primary consumption [illegible] coal [illegible] plummeted [illegible] in 1989 to less than 51m tonnes in 1993.

The academy depended [illegible] mining industry for its [illegible] and [illegible] existence. [illegible] century, it [illegible] generations of geologists [illegible] mining engineers, [illegible] scientists [illegible]

"[illegible] now, [illegible] hardly get enough students to fill the courses. The industry [illegible] few jobs," [illegible] Naundorf. Both the institute, set up in 1924 to conduct research into the properties [illegible] lignite, and [illegible] academy [illegible] it [illegible] Morale is not high.

Wallenberg says one of the main [illegible] is equipment. "[illegible] cannot buy new equipment [illegible] we win contracts. And if we don't win contracts, we can't [illegible] our salaries."

Equipment notwithstanding, outsiders say they are struck by the academy's innovative standards. "The east German institutes do not [illegible] state-of-the-art when [illegible] comes to equipment, [illegible] people in Freiberg and, in my experience, [illegible] German [illegible] in general [illegible] knowledge," says [illegible] Gillen, a mechanical engineer at the [illegible] department [illegible] Bord [illegible] Mona, Ireland's largest peat [illegible] turf [illegible]

"They [illegible] all [illegible] brainpower which previously they could [illegible] full potential. They [illegible] sated [illegible] shortage of [illegible] parts or new equipment by becoming [illegible] innovative," [illegible]

Bord na Mona recently contracted the [illegible] to [illegible] the durability [illegible] of the Irish peat briquette. "We might as well [illegible] fund of knowledge," says Gillen. Selling [illegible] knowledge might secure Freiberg's [illegible]

Clean sweep in the sky

Laser [illegible] will [illegible] the [illegible] above Berlin [illegible] check if the air [illegible] fresh. Pollution will be mapped in three dimensions every half-hour by a DM1.5m (£570,000) laser radar system. It will identify the source of the pollution and trace its path through the atmosphere.

The [illegible] permanent lidar (light [illegible] and ranging) system for monitoring pollution was installed in Leipzig, east Germany, two years [illegible] to map emissions from industry, electricity generators [illegible] traffic. [illegible] correlating the [illegible] with meteorological information, smog levels can be predicted. The maps reveal the sources of [illegible] worst pollution.

The lidar, called a Lasair 420S, is a titanium sapphire pulsed laser that emits two beams of different wavelengths. One [illegible] tuned [illegible] scatter when it encounters specific pollutants; the other is used as a reference. The difference bet[illegible] the scatter of [illegible] beams indi[illegible] the quantity of pollutant and [illegible] echo time reveals its location.

The back-scattered laser light is collected through a te[illegible]pe and focused on to a photodetector. Software interprets the data and produces two- and three-dimensional profiles of [illegible] pollution. Typically, they show [illegible] sulphur dioxide, ozone, nitrogen oxide, nitrogen dioxide and dust at heights up to 800m above ground level.

The equipment, which [illegible] a 3m cube and has a range of [illegible] to 12km, [illegible] nitrogen [illegible] levels [illegible] low as [illegible] ppb (parts per billion) and sulphur dioxide [illegible] high as 270 ppb. A system will be [illegible] on the roof of a Berlin hospital by the spring; a smaller, mobile version started [illegible] in December.

Conventional techniques for monitoring air pollution only take spot measurements [illegible] ground. "They [illegible] represent pollution correctly, even if the chemical monitors are located close together [illegible] pollution varies drastically within cities," says Nicolas Adolph, sales manager of Elight Laser, [illegible] "We can [illegible] measurements over several kilometres without the need to take samples."

Max Glaskin

PEOPLE

Former consultant takes top job at client

[illegible] group Kingfisher has appointed [illegible] (right), currently global marketing director at Guinness's spirits division [illegible] Distillers, [illegible] strategy [illegible] international development director.

[illegible], 44, has [illegible] Kingfisher for some time; he worked with it [illegible] a [illegible] for McKinsey in the mid-1980s, and was involved in Kingfisher's defence against the unsuccessful takeover bid by electrical retailer Dixons in 1990.

He joined United Distillers in 1991 as European marketing director, working under Crispin Davis, then global marketing director. [illegible] was promoted to managing director, [illegible] succeeded him, and the two developed a [illegible] working relationship before [illegible] resigned [illegible] October [illegible] with Tony

Greener, Guinness chairman and [illegible] executive.

UD [illegible] Breene, [illegible] could [illegible] opportunity [illegible] a board position with a major public [illegible]

[illegible] adds [illegible] helped [illegible] through a very [illegible] time in [illegible] distilling industry, and was responsible for two [illegible] successful marketing campaigns in the US [illegible] Johnny [illegible] whisky.

At Kingfisher, [illegible] be responsible for formulating strategies [illegible] the [illegible] as [illegible] for its individual [illegible] and seeking out international opportunities – although Kingfisher, which [illegible] French [illegible] Darty [illegible] year, [illegible] appointment [illegible] not signal [illegible] it has [illegible] sights on [illegible] imminent [illegible] acquisition.

[illegible] began his [illegible] in 1971 as a senior brand [illegible] with Unilever, [illegible] joining Mars as marketing [illegible] from [illegible] then joined [illegible] as a consul[illegible] partner until [illegible] being appointed [illegible] tive of ad [illegible] From 1990 to 1991 he [illegible] president and director [illegible] Consulting Group.

[illegible] will be [illegible] at UD by Ian [illegible] who has [illegible] the company's joint venture with [illegible] wine [illegible] Boutari [illegible] 1992. He joined UD in 1991 as marketing director [illegible] white spirits and new brand development, having previously worked for seven [illegible] as a brand [illegible] production manager [illegible] Procter [illegible] Gamble, and then [illegible] a consultant with Bain [illegible] becoming a founding partner in the Calchas consultancy.

[illegible] with helping [illegible] make Johnny [illegible] and Dewar's [illegible] popular whiskies in Greece, [illegible] has [illegible] the national drink, outselling Ouzo [illegible] per [illegible]

■ Paul Torday, 47, grandson of the founder of Newcastle engineers TORDAY & CARLISLE, is bowing out after more than a decade at the helm of a company he joined over 20 [illegible]

The [illegible], which [illegible] £13m in its last financial [illegible] and is not paying a dividend, refused to comment on the reasons for Torday's impending departure. However, there have been reports of growing institutional pressure for boardroom changes.

Torday's decision to quit the company [illegible] a new [illegible] executive is found comes less than a month after the resignation of two of the company's three non-executive directors, Sir Michael Carlisle and Michael Denny. The [illegible] appointed [illegible] executives, David Batie, Mike Hennon and [illegible] van [illegible] Hulst from DMI, its core business, to the [illegible] also wants to appoint two non-executive directors.

■ Denis Filer, who was been director general of the Engineering Council since 1988, is staying on beyond his scheduled retirement in May until a definitive proposal for reforming the council has been prepared.

The council is the umbrella body for the UK's professional engineering institutions. Last year, [illegible] John Fairclough, [illegible] council, [illegible] als [illegible] relationship [illegible] The [illegible] said in [illegible] John would [illegible] three-year [illegible] chairman, beginning this May.

Denis Filer is also to become chairman [illegible] ADWEST GROUP [illegible] April [illegible] Fred Grant retires. Graham Menzies, group md, [illegible] and Richard Truscott, general manager [illegible] the past [illegible] joins [illegible] board.

■ Tony Froggatt, md for northern Europe for [illegible] Vintners, part of GRANDMET, [illegible] appointed president of IDV [illegible] Pacific, [illegible] will [illegible] Christopher Pearman [illegible] chairman in [illegible]

■ Jerry Fowden has been appointed chief operating [illegible] Brewers.

■ Brian Henners has been appointed [illegible] director, Jonathan Oxford financial director, and John [illegible] production [illegible] of [illegible] Greaves, part [illegible] WATMOUGHS (HOLDINGS).

Non-executive directors

■ Robert Shepherd, a [illegible] deputy chairman [illegible] Pentland Group, [illegible] GILBERT GILKES [illegible] GORDON.

■ Philip Newman, head [illegible] equity sales [illegible] BNP Capital Markets, [illegible] EUROPE ENERGY GROUP; [illegible] Torrington [illegible] resigned.

■ Sir John Morgan, a [illegible] and former diplomat, and Frederick [illegible] a [illegible] member [illegible] the board of the Bremen Stock Exchange, [illegible] INVESCO GROUP.

■ Sir Alexander Graham, chairman [illegible] First City Insurance [illegible] a former Lord Mayor [illegible] London, [illegible] chairman [illegible] EMPLOYMENT [illegible] ABROAD on the [illegible] of [illegible] MacPherson.

■ Bernard Yoncourt at EMPIRE [illegible] GROUP; Dominique Georgeon has retired.

■ Michael Andrews has resigned from McLEOD RUSSEL HOLDINGS.

■ Lord Gregson, Sir Ronald Halstead and Alan Wheatley will retire from BRITISH STEEL in July.

■ [illegible] Universal [illegible] has enfranchised its shares and brought in four new non-executive directors; so it [illegible] no longer under fire [illegible] its corporate governance, as implied [illegible] yesterday's [illegible] Jonathan Charkham.

CentreGold entices player from Sega

CentreGold, the Birmingham-based publisher and distributor of electronic computer games [illegible] was [illegible] in [illegible] 1988, has notched up something of a coup in the software entertainment world by tempting a player [illegible] Japanese games giant Sega.

Nobuhiko Ishihara, 42, is leaving his post as general manager with Sega Enterprises to become right-hand man of CentreGold's chief executive, Geoff Brown. [illegible] was a key figure in Sega's successful campaign [illegible] win [illegible] and minds [illegible] children [illegible] Europe. [illegible] joined Sega from [illegible] subsidiary [illegible] 1987; [illegible] August [illegible] Europe where he successfully [illegible] a [illegible] division, including building a European research [illegible] development programme.

Working closely [illegible] president [illegible] executive, Ishihara [illegible] responsible [illegible] licensing property [illegible] (both into and from [illegible] the establishment [illegible] a third party publishing [illegible] in north [illegible] Europe.

CentreGold has thus [illegible] a [illegible] figure with ready [illegible] into the [illegible] centre [illegible] of the world's [illegible] computer [illegible] manufacturers. Moreover, with imminent technological developments which will greatly expand [illegible] entertainment [illegible] ware market, CentreGold [illegible] the appointment as giving it [illegible] dimension [illegible] knowledge [illegible] strategic planning.

Theatre/Malcolm Rutherford

Dead Funny

It has been a good [redacted] for British comedy. [redacted] John Godber's *April [redacted] Paris* [redacted] the Ambassadors comes the premiere of Terry Johnson's *Dead Funny* at the Hampstead Theatre.

Johnson is becoming a prolific playwright. *Hysteria*, his piece [redacted]t Sigmund Freud and Salvador Dali, was shown at the Royal Court only last autumn. *Dead Funny* is more down to earth. Although Freud is still mentioned and medical science is [redacted] away, this [redacted] play about relatively normal people in Islington, 1992.

Richard, a handsome consultant obstetrician, returns [redacted] for dinner, having performed five hysterectomies in [redacted] course [redacted] the day [redacted] in the pub on the way back. He is not drunk, just nervous, for it is Wednesday – the night for sex therapy [redacted] home.

However [redacted] Richard may [redacted] as [redacted] has come to find his slightly older wife (41 to his 38) physically repellant. Tonight [redacted] therapy may be working. A [redacted] reluctantly [redacted] floor while [redacted] him. Then the doorbell rings and in [redacted] neighbour, Brian, to [redacted] that Benny Hill, [redacted] comedian, [redacted] dead.

I shan't go on with the plot except [redacted] in [redacted] Islington – clearly [redacted] society – the the news is quite [redacted] shocking [redacted] (say) the death of [redacted] Queen [redacted] a leading light in the [redacted] Funny Society [redacted] reveres [redacted] long line of stand-up British comics: Jimmy James, [redacted] Wall, Tony Hancock, Frankie Howerd – [redacted] lot.

The [redacted] of [redacted] play is [redacted] how – appropriately – [redacted] tribute [redacted] Benny. In [redacted] [redacted] it, the sexual hang-ups of his admirers emerge. There are only five characters on [redacted]. The sole non-admirer is [redacted]ard's wife, Eleanor, played by [redacted] Wanamaker.

Ms Wanamaker is a wonderful actress. She personifies sexual frustration without the slightest inhibition. Her [redacted] can be [redacted] can exude venom with the tiniest movement of [redacted] nostril. Sometimes she looks as if she has [redacted]oped [redacted] technique of conveying [redacted] whole facial expression from the top of her nose. She can also smile with a tear in her eye. This is a marvellously disciplined performance, even though – perhaps to tip the balance in favour of the Dead Funny Society – she does not always have the best lines.

The other outstanding performance, [redacted] full [redacted] of [redacted] held back until after the interval, is Niall Buggy's Brian. In act one he is bumbling, officious, fussy lower class camp. In act two he comes out. "Benny," he announces, "was gay – and so am I." He has bought a ticket to Amsterdam to celebrate, but tears it up and ends consoling Eleanor. What they both want, they say, is "a nice young man, preferably virile, possibly the same one".

There are additional delights in the plot. A defect is that, as in *Hysteria*, Johnson is not always sure what genre he is working in. He moves into farce and out of it for no obvious reason. But *Dead Funny* is bursting with life. Johnson directs, and the excellent set is designed by Sue Plummer.

Hampstead Theatre. (071) 722 9301

New music/David Murray

One Day Tradition

Under [redacted] label, London [redacted] presenting four [redacted] in the Lilian Baylis Theatre. [redacted] devoted [redacted] pair [redacted] "contemporary" composers, [redacted] necessarily [redacted] opening concert included the American avant-gardist Henry Cowell, long [redacted] I [redacted] the [redacted] concert [redacted] Wednesday, [redacted] it included [redacted] by Wolfgang [redacted] Schweinitz, German, and 41 [redacted] Monday.

Four years ago I [redacted] the Munich Biennale premiere of his *Patmos*, [redacted] very long opera on the complete [redacted] St. John's [redacted] in the [redacted] version. [redacted] the [redacted] audience [redacted] predictably outraged by Ruth Berghaus's staging, [redacted] with echoes [redacted] the Holocaust. I thought Schweinitz's score impressively rich and varied; so I wanted to hear [redacted].

Sadly, [redacted] LNM concert proved [redacted] be one [redacted] bitty [redacted] that "contemporary music" fans know [redacted] well. The [redacted] is confined by its budget [redacted] modest-scale [redacted] which will be cancelled [redacted] the last moment), and [redacted] contemporary pieces [redacted] large part [redacted] the running-time will go [redacted] carrying chairs and [redacted] stands [redacted] the [redacted] on again.

In the event, we heard only [redacted] Schweinitz's prom[redacted] from [redacted], uncertainly delivered by [redacted] pianist-conductor Michael Blake. One could hear why he chose not to play the other, more difficult Etudes, but this third one lost much of its effect without its contrasted siblings. With Blake finger-strumming directly [redacted] piano strings, the [redacted] Beth Griffith warbled engagingly through "Sehr kleine Drachen" (1992). [redacted] could [redacted] tell [redacted] the [redacted] lived up to [redacted] promising title ("very [redacted] dragons"), nor [redacted] the music lived [redacted] them, for they [redacted] inaudible.

Much [redacted] most rewarding [redacted] his String Trio from 1978. A piece [redacted] disillusioned [redacted]: frail, [redacted] of Schumann [redacted] regularly deflated by ruthlessly sinking pitch. Amidst the flamboyant decay, enough lyrical [redacted] survives to [redacted] sharp, regretful point.

The second half [redacted] given [redacted] to [redacted] Barry, an Irish composer who enjoys [redacted] of a cult-following [redacted] the [redacted] than here. His [redacted] the work [redacted] an intelligent composer who [redacted] so anxious not to [redacted] upon [redacted]lished musical [redacted] himself room [redacted] little [redacted] than carefully uncommit[redacted], repetitious tootling. Only his recent [redacted] a [redacted] vein of [redacted] in the violinist Charles [redacted] expert [redacted] laconic, tautly syncopated, dryly witty. We could [redacted] with [redacted]

More 'Upstairs, Downtairs' than [redacted] century Vienna: Sally Burgess [redacted] Octavian; and Anne Evans in the role [redacted] the Marschallin

Opera/Richard Fairman

Der Rosenkavalier

Is there [redacted] that reeks [redacted] of nostalgia than *Der Rosenkavalier*? [redacted] waltzes begin to play, it [redacted] difficult [redacted] Strauss's blandishments to [redacted] one's mind back [redacted] the years.

The [redacted] production [redacted] the [redacted] the [redacted] Coliseum was [redacted] in Jan[redacted] It marked a turning-point in [redacted] fortunes of English [redacted] Opera. [redacted] company [redacted] recently adopted its [redacted] and was struggling [redacted] rebuild [redacted] damaging strike [redacted] had torn morale to shreds [redacted] such [redacted] mid-performance walk-out" tell their [redacted] story. [redacted] change!

Now, [redacted] on, *Der* [redacted]. And again ENO [redacted] roads. The all-powerful trium[redacted] for [redacted] departed, [redacted] yet [redacted] to put their stamp [redacted] policy. They [redacted] probably right [redacted] the old production [redacted] the [redacted] had [redacted] day. This replacement [redacted] even equal [redacted] in [redacted] respects, [redacted] not necessarily [redacted] heading downhill.

If [redacted] orchestra plays [redacted] good deal [redacted] to. Given [redacted] *Der Rosenkavalier* [redacted] lofty summit [redacted] a company [redacted] climb, [redacted] surprising [redacted] Edwards, [redacted] Director, [redacted] charge. Yakov Kreizberg, a [redacted] promise [redacted]where, [redacted] for [redacted] playing, but he does let the opera drag. The opening prelude, an explicit depiction [redacted] a night [redacted] passion, [redacted] though Octavian [redacted] half-hearted [redacted] getting on the job. [redacted] final [redacted] drooped [redacted] climax.

To [redacted] degree that [redacted] on stage. As in his [redacted] production [redacted] (*The Marriage of Figaro*) Jonathan Miller [redacted] more interested in observing the period social decorum on the surface than releasing the passions that burn below.

The period that he gives [redacted] here is not the 18th-century reign [redacted] Maria Theresa intended by [redacted] and Hofmannsthal, but [redacted] of *Upstairs, Downstairs*. By [redacted] Vienna [redacted] in decline, which Miller evidently [redacted] more appropriate [redacted] decadent music. Among the phantoms in the Act 3 [redacted] a first world [redacted] soldier, looming ominously [redacted] comedy below.

Jonathan Miller is more interested in observing the period social decorum [redacted] *the surface than releasing the passions that burn below*

There [redacted] no [redacted] finery [redacted] in the [redacted] walls [redacted] bare, [redacted] furniture [redacted] even [redacted] her [redacted] stop during the night. [redacted] surprising [redacted] by little [redacted] can [redacted] passionate [redacted] rolling on [redacted] Marschallin's lap, [redacted] here. He just gives her [redacted] peck on the cheek – a shame, [redacted] Sally Burgess's [redacted] Octavian, [redacted] naughty-looking boy [redacted] cheeky smile, [redacted] surely demand [redacted]. Everything [redacted] really involving, [redacted] only [redacted] glare so.

For [redacted] impressive [redacted] J. [redacted] rather modern-day nouveau [redacted] mansion, adorned outside by [redacted] splendidly vul[redacted] line of b[redacted] bronze, mock-classical [redacted]. In [redacted] hall Rosemary Joshua's Sophie, a shallow girl without a lot of charm, awaits her husband-to-be. What she [redacted] exhausting, larger-than-life Baron Ochs of John Tomlinson, a lecherous county squire, who [redacted] forever stalking his prey. [redacted] nervous for the Presentation of the Rose, but found her silvery top notes later; Tomlinson [redacted] relentlessly loud, but made every word of [redacted] long role clear – a major bonus.

Among the large [redacted] Christopher Booth-Jones [redacted] a [redacted] Faninal (Miller excises much of [redacted] traditional comic business, though without putting anything in its place). Claire Powell and [redacted] Buxton turned [redacted] Italian intriguers [redacted] a very highly-coloured pair. Peter Bronder [redacted] the Italian tenor without overt parody. It [redacted] Shilling, an ENO old-timer, [redacted] the Notary.

[redacted] important, it [redacted] good [redacted] hear again Anne Evans, who sang the role of the Marschallin in that previous production [redacted] ago. I happen [redacted] that the Marschallin [redacted] younger in spirit than she makes her, not so defeatist in her [redacted] on life [redacted] love, but that may be [redacted] Kreizberg's slow speeds introduced [redacted] into her scenes, [redacted] sometimes dragging her [redacted] in pitch. The dignity [redacted] her portrayal [redacted] happily [redacted] before, [redacted] warmth and sincerity, [redacted]

[redacted] 1976 [redacted] has gone forth [redacted] place on the international stage, Tomlinson too, [redacted] of them notably at Bayreuth. It [redacted] of what [redacted] happened [redacted] ENO [redacted] it [redacted] now [redacted] world-class Brünnhilde [redacted] in the [redacted]. Expectations [redacted] higher [redacted] days and [redacted] middling [redacted] like [redacted] can [redacted] as [redacted] disappointment. Perhaps, in fact, we should [redacted] counting [redacted] lucky.

Performances continue until March 16

A history lesson in contemporary paint

Lynn MacRitchie on two intelligent exhibitions which claim for art [redacted] *conscious political and social position*

Two stimulating London shows complement each other neatly, perhaps [redacted] each is the [redacted] of that very [redacted] curator, Mau[redacted] Paley. In *Symptoms of Interference*, [redacted] *of Possibility* [redacted] the Camden Arts Centre, [redacted] brought together work by Ad Reinhardt, Joseph [redacted] and Felix Gonzalez-Torres, offering [redacted] history [redacted] provides [redacted] valuable foundation from which [redacted] explore *Wall to* [redacted], [redacted] show of wall painted [redacted] which [redacted] at [redacted] Serpentine Gallery.

The [redacted] show [redacted] the interrelation [redacted] three generations [redacted] Ameri[redacted] in the [redacted] his death in [redacted]. Ad Reinhardt, America's first purely [redacted] artist, [redacted] his "Black Paintings", [redacted] Joseph Kosuth, [redacted] in [redacted] and [redacted] of the [redacted] conceptual artists, [redacted] acknowledged [redacted] formative influence just [redacted] Felix Gonzalez-Torres, born in [redacted] and too [redacted] to have known Reinhardt, acknowledges that [redacted] both.

All [redacted] a belief in the power of art [redacted] make profound, and profoundly political, [redacted]. Ad [redacted] was the dissenting voice [redacted] expressionism triumphed [redacted] the [redacted] war, [redacted] that [redacted] should [redacted] in and of itself, following its own [redacted] and disdaining the [redacted]sures of [redacted] market. [redacted]hardt's intellectual purism [redacted] grounded [redacted] political [redacted]ism: during the 1940s, he drew cartoons for the socialist publications *The New Masses* and *PM*. "People are [redacted] understanding and enjoying [redacted] somewhere, got the notion that an 'artist' was a 'picture maker'", [redacted] "How [redacted] look [redacted] an artist", [redacted] in [redacted]

[redacted] proved [redacted] point with the "[redacted] Paintings", three [redacted] which, [redacted] 1953, 1962 [redacted] are shown. [redacted] "pictures" of nothing, [redacted] beauty the [redacted] interplay [redacted] black against black.

For Kosuth, [redacted] was more complicated. The relative simplicity [redacted] Reinhardt's oppositional [redacted] was no longer [redacted] in the 1960s against an [redacted] capable [redacted] forming the most radical [redacted] commodities. Kosuth began [redacted] experiment [redacted] ways of [redacted] the questioning [redacted] artistic process [redacted] of the way an [redacted] work [redacted] perceived. He began to make art out of words.

Simple at first, photocopied extracts from dictionaries, [redacted] example, [redacted] works became more and more complicated, [redacted] of source material spreading [redacted] philosophy to the popular press. At Camden, Kosuth shows "the Thing in-itself is found in its Truth through the [redacted] of [redacted] immediacy" an installation [redacted] blown up photographs of news[redacted] clippings. [redacted] shown [redacted] Leo Castelli [redacted] York [redacted] year, it [redacted] reworked to [redacted] from English [redacted] hung head high around [redacted] juxtaposed with cartoons, photographs and quotations from [redacted].

Walking into [redacted] room lined with [redacted] and blurry blown [redacted] newsprint images, the effect [redacted] surreal: their increased scale and careful grouping demand a more searching scrutiny than the [redacted] their usual lot. Now, the [redacted] which could have [redacted] dis[redacted] [redacted] with an [redacted] glance as [redacted] turned [redacted] snipers, Lorena [redacted] the penis [redacted]erer, Boy George in a hat adorned with horns shaking hands with Yitzhak Shamir) [redacted] in [redacted] meaning [redacted] something which [redacted] be constructed, not simply [redacted]

Gonzalez-Torres [redacted] the lightest touch. His politics seem more personal, his inclu[redacted] of [redacted]tle – he piles up sweets on the gallery fl[redacted] in "Untitled (Public Opinion)" and [redacted] them to help themselves, [redacted] black photocopies in [redacted] pile and [redacted] "Party Platform", makes small, black, pictures-with-words like minia[redacted] and [redacted] – Pol [redacted] 1975, [redacted] 1968, Robocop 1987 – [redacted] viewer to make the connection, the human [redacted] which brings the meaning [redacted].

The spectator is also required [redacted] alert [redacted] the [redacted]pentine, [redacted] in *Wall to* [redacted] the most successful pieces work like installations, making [redacted] fullest [redacted] the space. Lothar Baumgarten's "Imago Mundi", [redacted] is best, a polit[redacted] the [redacted] colonialism on the [redacted]tion [redacted] other cultures spread across the elegant [redacted] hall in juxtaposed names of [redacted] and colours. [redacted] Craig Martin [redacted] with his wonderful colour, the solitary, carefully painted [redacted]day objects – chair, filing cabi[redacted], book – seeming to hover [redacted] their [redacted] walls of [redacted] blue, [redacted] or pink. The rest [redacted] stuff, both in [redacted]

Neither show is easy, [redacted] each [redacted] of the kind – subtle, cerebral, [redacted] claiming for [redacted] and [redacted] social position – [redacted] so readily mocked.

Tough old Ad Reinhardt, [redacted] the lot, [redacted] to [redacted] that [redacted] of thing. [redacted] of his [redacted] shown at Camden includes two cherubs in [redacted] The first says, "I don't know anything about [redacted] but I know what I like." [redacted] second replies, "Yes, isn't it [redacted] that the obligation to [redacted] intelligent doesn't extend to [redacted] field [redacted] art." That's telling them, Ad.

***Symptoms of Interference, Con*[redacted] *of Possibility*; until March [redacted], Camden [redacted] Centre, Arkwright [redacted] London NW3 6DG. Tel [redacted] *Wall to Wall*, until February 17, Serpentine Gallery, Kensington Gardens, London W2 3XA. Tel 071 402 6075. Continues, with different artists, at Southamp[redacted] City Art [redacted] and [redacted] Art Gallery.**

INTERNATIONAL

ARTS GUIDE

Berlin Faust cycle

After last [redacted]'s illuminating Hölderlin cycle, Claudio Abbado has chosen Faust as his latest programmatic theme with the Berlin Philharmonic Orchestra. In coming months, Berlin audiences will be able to attend concerts, literary readings, films and an exhibition, all inspired by the legend of the man who sells his soul to the devil in return for wisdom, wealth and women.

As with Hölderlin, Faust offers plenty [redacted] the imagina[redacted] programme-planner. The cycle begins on Feb 12 and 13 with Mahler's Eighth Symphony, the major part of which is a setting of the closing scene from [redacted] play. [redacted] starry line-up [redacted] vocal [redacted] includes Cheryl Studer, Anne Sofie von Otter and Bryn Terfel, [redacted] Abbado as conductor.

In early March, Gerd Albrecht [redacted] extracts from Busoni's opera Doktor Faust. In April, Simon Rattle conducts Liszt's Faust Symphony. Concerts in late May and early June are devoted to Berlioz's La Damnation de Faust (with Sergei Leiferkus, Vinson Cole and Waltraud Meier, conducted by Seiji Ozawa) and Schumann's Scenes from Faust, conducted by Abbado.

Abbado has encouraged other artists and institutions in Berlin to contribute. Pupils of Dietrich Fischer-Dieskau will give a recital of songs inspired by the Faust legend (Feb 27). German actor Bruno Ganz will read extracts from Thomas Mann's Doktor Faust (March 1), [redacted] Peter [redacted] give [redacted] readings in May.

The film season [redacted] La [redacted] du [redacted] (1949), Gustaf Gründgens' legendary interpretation of Goethe's play (1960), Polanski's [redacted] Baby (1967), Tarkovsky's [redacted] (1972) and Szabo's Mephisto (1980).

The [redacted] in June with [redacted] Faust evening at the Hebbel Theater, devised by Stéphane Braunschweig and Giorgio Barberio Cordetti, drawing on Faust [redacted] by Mann, Marlowe, Goethe, Baudelaire and Hans Christian Andersen.

■ Berlin Philharmonic Orchestra, [redacted] 1, D-10785 Berlin. Tel 030-261 [redacted] Fax 030-251 [redacted]

■ EXHIBITIONS GUIDE

AMSTERDAM

Rijksmuseum Dawn of the Golden Age, Northern [redacted] Art: [redacted] offering [redacted] magnificent survey of art in the Netherlands around 1600. Ends March 6. Dutch Figure Drawings [redacted] a [redacted]vey of a popular [redacted] in Dutch art of [redacted] centuries. Ends May 1. Closed Mon

[redacted] Het [redacted] Netherlands from Life: 90 prints of landscape and rural life by Ruisscher, Rembrandt, [redacted] de [redacted] Ends [redacted] Daily

[redacted] Georges [redacted] Feure [redacted] Félix Bracquemond: retrospective [redacted] Dutch Symbolist painter [redacted] century [redacted] printmaker. Ends [redacted] 13. Daily

[redacted] Museum [redacted] Strik, Maria Lassnig: the [redacted] contemporary European [redacted] in [redacted] context of paintings by Giovanni Segantini, Markus Lüpertz, Joseph Beuys [redacted] Judd. Daily

BERLIN

[redacted] Charlottenburg The [redacted] Europeans: artefacts of archaeological, [redacted] and [redacted] interest, painting a picture of early European civilisation. Ends Feb 18. Daily

Brücke Museum Fritz Bleyl (1886-1976): [redacted] than [redacted] drawings, [redacted] and prints by one of the founders of the Brücke. Ends May 16. [redacted]

BERNE

Kunstmuseum Paul Klee: after [redacted] months [redacted] renovation, [redacted] museum [redacted] today [redacted] showing of its magnificent Klee collection, supplemented by [redacted] from [redacted] family – representing in total around 40 per [redacted] output. [redacted]

BONN

Kunst- und Ausstellungshalle Bunuel, Eye [redacted] the Century: [redacted] tribute to the Spanish film director (1900-83) in the form of 300 paintings, sculptures and drawings by his closest contemporaries such [redacted] Dali, Ernst, Magritte, Giacommetti and Man Ray, plus 400 film stills and [redacted] film retrospective. Ends April 24. Gerhard Richter (b1932): 100 [redacted] by the leading postmodern German artist. Ends Feb 13. [redacted]

COPENHAGEN

[redacted] Museum for [redacted] Fra [redacted] 100 drawings by [redacted] Florentine master, showing sketches for altar paintings. [redacted] Mon

FRANKFURT

[redacted] Kunsthalle Archaeological [redacted] from Romania: 500 objects documenting 6,000 years [redacted] history, including [redacted] jewellery, [redacted] silver. Ends April 17. Daily

Jahrhunderthalle [redacted] Ernst Ludwig Kirchner: watercolours and drawings from the Brücke Museum in Berlin. Ends March 20. Daily

Städel Landscape and Interior: 19th century French and German prints. Ends Feb 28. Closed Mon

HEILBRONN

[redacted] Museen Catalonian Sculpture of the 20th Century: 80 sculptures [redacted] 18 [redacted] including Miro, Picasso, Dali [redacted] Taples. Ends April 10. Closed Mon

LONDON

National Gallery Claude: The Poetic Landscape. Ends April 10. Daily

[redacted] Museum Fabergé: 350 treasures created by [redacted] House of Fabergé in imperial [redacted] Ends [redacted]

Royal Academy of Arts Art of the Ancient [redacted] 300 masterpieces [redacted] George [redacted] collection. Ends April 6. The Unknown Modigliani: 400 drawings created [redacted] 1906 and 1914. Ends April 4. Daily

National Portrait Gallery Holbein and the Court of Henry VIII: 28 portraits [redacted] miniatures from [redacted] royal [redacted] at [redacted]. Ends April 17. Daily

[redacted] Italiana [redacted] The [redacted] Magnificent 1449-92. [redacted] 27. Daily

NEW YORK

Guggenheim [redacted] (b1931): 170 [redacted] representing the most comprehensive survey [redacted] minimalist [redacted] to date, [redacted] focusing on sculptures, drawings and performance works. [redacted] April 17. The [redacted] is closed on Thurs, [redacted] SoHo [redacted] on Tues

Metropolitan Museum of Art Lucian Freud: 80 paintings, drawings and etchings by Britain's greatest living realist painter. Ends March 13. Degas Landscapes. Ends April 3. 16th Century Italian Renaissance Drawings in [redacted] York [redacted]: little-known works by Raphael, Michelangelo and Titian. Ends March 27. [redacted]

PARIS

Louvre Egypt's Role in Western Art [redacted] paintings, furniture, porcelain, jewellery and other works of art, illustrating how ancient Egypt [redacted] the [redacted] imagination over [redacted] Ends April 18. Closed Tues

Musée d'Orsay [redacted] Feb 13. [redacted] Mon, [redacted] opening Thurs

[redacted] Moderne [redacted] la Ville [redacted] Paris Around a [redacted] of Matisse: three monumental versions of the Dance. Ends March 6. Closed Mon (11 ave du [redacted] Wilson)

Musée du Luxembourg The Glorification of Saints in the Limousin Region: 100 examples [redacted] religious art from [redacted] Ages to the 20th century. Ends [redacted] 9. [redacted] (19 rue de Vaugirard, on [redacted] Luxembourg gardens)

[redacted] and the [redacted] Tables [redacted] Europe from [redacted] 17th [redacted] 19th centuries. Ends Feb 27. [redacted]

ROTTERDAM

Museum Boymans-van Beuningen Italian Paintings 1300-1500: 26 paintings by early artists from northern and central Italy, complemented [redacted] a [redacted] of contemporary prints and drawings. Ends Feb 27. New [redacted] in Japan: 100 recent works by 23 artists, illustrating [redacted] distinguishes Japanese art glass from its European and American counterparts. Ends March 27. Closed Mon

VENICE

Museo Correr Pietro Longhi: [redacted] exhibition of oil paintings, comprising mainly elegant genre scenes, by the Venetian rococo artist. Ends April 4. Daily

VIENNA

Kunsthalle Archigram: drawings, models and multimedia installations illustrating [redacted] work [redacted] the British [redacted] group comprising Warren Chalk, Peter Cook, Dennis Crompton [redacted] 15. [redacted] Tues

Secession Brice Marden (b1938): 20 paintings showing the [redacted] in oriental calligraphy. Ends [redacted] 13. Closed Mon

Kunsthistorisches Museum Baroque in Naples 1707-34: Neapolitan art from the era of the Austrian Viceroys. Ends Feb 20. Closed Mon

Jüdisches [redacted] Vienna: [redacted] cultural history of [redacted] in [redacted] city. Ends [redacted] 15. [redacted] Sat

WASHINGTON

National Gallery [redacted] Egon [redacted] 70 [redacted] by the Viennese painter [redacted] draftsman who, in his short, turbulent but productive life, [redacted] himself as the leading figure [redacted] Expressionism. Ends April 24. [redacted] Portrait Medals. Ends May 1. Daily

Phillips Collection Brancusi: photographs and sculpture by the Romanian modernist [redacted] successful works were often simple, highly-polished shapes. [redacted] April 17. Daily

National Museum of Women in the Arts Artists of the Arab World: 160 works by painters and sculptors [redacted] 15 Arab countries. Ends May 15. Judith Leyster: 10 works by the 17th century Dutch genre painter. Ends April 3. Daily

Walters Art Gallery [redacted] Bouquet of French Manuscripts: rare works [redacted] and Renaissance. Ends April 10. [redacted]

WINTERTHUR

Kunstmuseum Sol LeWitt (b1928): 400 coloured drawings by the American minimalist. Ends March 13. Closed Mon

PERSONAL VIEW

Experiment in democracy

David Hale on the explosive growth of US mutual funds

In the modern era, industrial countries have typically organised their financial systems around either a universal banking model encompassing many financial [illegible] or a hybrid structure which separates [illegible] mercial and investment banking. The US is now creating a [illegible] system, in which mutual funds are overtaking banks as the main repositories [illegible] household [illegible] and suppliers of [illegible] to small and medium-sized companies.

The US mutual fund industry now has about $2,000bn in [illegible], equal [illegible] about 85 [illegible] bank deposits, against barely 10 per [illegible] in the early [illegible]. The industry has about $870bn in equities and [illegible] in taxable and non-taxable bonds, plus [illegible] in [illegible] market funds. This [illegible] growth has [illegible] matched by a large expansion in mutual [illegible] shareholding – 28 per [illegible] US households own [illegible] mutual fund, against 6 [illegible] in 1980.

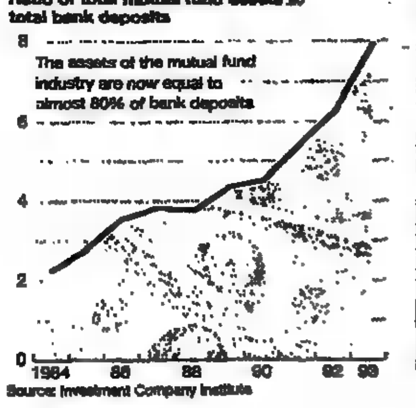
Behind [illegible] expansion [illegible] lain an accommodating [illegible] tary policy designed [illegible] American [illegible] from a sharp rise in non-performing real [illegible] loans. This policy [illegible] bolster lending margins, [illegible] healthy profits [illegible] long-term government bonds and [illegible] their equity/ [illegible] highest [illegible] early [illegible]. But [illegible] money market yields and [illegible] positive yield [illegible] have [illegible] encouraged [illegible] to shift savings from [illegible] into higher-yielding instruments, such [illegible] mutual funds.

[illegible] the [illegible] been benign. First, mutual fund growth has provided [illegible] new [illegible] for monetary policy to buoy [illegible] by broadening [illegible] number [illegible] households [illegible] from rising bond and equity prices. Appreciation of financial [illegible] prices has been [illegible] main transmission mechanisms employed by the Federal Reserve, the [illegible] central bank, [illegible] revive [illegible] economy.

Second, [illegible] mutual fund boom [illegible] helped [illegible] expansion of [illegible] forms of [illegible] commercial [illegible] pursued more [illegible] lending policies. During 1993, [illegible] 571 non-financial initial public offerings in [illegible] market, raising about $25bn, against 447 worth [illegible] in 1992, 330 [illegible] in 1991, and 150 [illegible] in [illegible]. The [illegible] higher yields has [illegible] revi[illegible] the [illegible] "junk bond market". In [illegible], Wall [illegible] non-investment grade bonds, against $42bn in 1992, $17bn in [illegible] $2.9bn in 1990. [illegible] developments [illegible] improved [illegible] equity and [illegible] finance for small and medium-sized companies, helping [illegible] employment growth.

US mutual funds: way ahead

Ratio of total mutual fund assets to total bank deposits



Source: Investment Company Institute

Net [illegible] of [illegible] fund industry ($bn)

1960	17.0
1965	35.2
1970	47.6
1975	45.9
1980	134.8
1985	495.5
1990	1,066.9
1991	1,348.1
1992	1,599.9
1993	2,008.0

Although [illegible] mutual fund [illegible] had positive economic [illegible] of current changes in US [illegible] savings [illegible] questions [illegible] regulatory policy [illegible] stability in [illegible] financial markets.

The first [illegible] is: [illegible] will happen [illegible] savings [illegible] and household [illegible] when interest [illegible] rise [illegible] share prices [illegible]

The household sector [illegible] vulnerable [illegible] from declining [illegible] prices [illegible] rise sharply. In 1993, [illegible] equity mutual fund [illegible] equal [illegible] 15.6 [illegible] discretionary household financial assets, against 3.8 per cent in 1985. This growth in bond [illegible] mutual fund portfolios [illegible] partially [illegible] by a [illegible] fall in [illegible] household holdings of equities – from [illegible] per [illegible] of discretionary [illegible] in the early [illegible] last year. As [illegible] result, [illegible] sector's total holdings [illegible] financial assets, potentially subject [illegible] sharp price fluctuations, has not [illegible] highs but returned to [illegible] the early [illegible] peak.

[illegible] by [illegible] fund [illegible] on government supervision of [illegible] system. [illegible] government [illegible] traditionally required [illegible] commercial banking [illegible] capital adequacy [illegible] promote [illegible] social objectives. But in mutual fund regulation, [illegible] main [illegible] promote adequate [illegible] consumers [illegible] if [illegible] product suits them; it has [illegible] tried to impose social investment guidelines or capital adequacy rules. Hence, bankers complain the government is pursuing asymmetrical regulatory policies just as there is shrinkage in some traditional areas of their business.

This problem may resolve itself via banks entering [illegible] mutual funds business and the creation of a two-tier government deposit insurance system. It would provide guarantees for only a core of low-yield deposits invested in safe assets, such as Treasury securities, while deposits in riskier assets would be uninsured. US banks already have nearly $180bn of mutual fund assets under their control.

The final consequence of the mutual fund boom could be a change in the ownership of corporate America and in popular perceptions of capitalism. The main factor driving recent mutual [illegible] growth has [illegible] low interest rates. [illegible] the industry [illegible] benefited [illegible] in the [illegible] save for retirement. [illegible] pension plans used [illegible] savings, [illegible] now to defined contribution plans. These enable participants to [illegible] savings between a variety of mutual funds. [illegible] contribution plans [illegible] already equal [illegible] 90 per [illegible] of [illegible] plans, up [illegible] 52 per [illegible] in [illegible].

Peter Drucker, writer and [illegible] consultant, argued [illegible] *Revolu[illegible]* in [illegible] evolving towards a pension fund form of socialism, in [illegible] retirement plans would own [illegible] US industry and [illegible] worker [illegible] argument [illegible] misdirected because [illegible] plans, which [illegible] prevailed, [illegible] workers guaranteed returns, [illegible] the right [illegible] divergent returns. Today, [illegible] plans [illegible] expanding [illegible] ownership of [illegible] stock [illegible] producing [illegible] of pension fund socialism. [illegible] US is, instead, embarking [illegible] a new experiment in [illegible] democratisation of [illegible] and equity ownership through [illegible] mixture of mutual funds, [illegible] contribution pension plans [illegible] ownership of securities.

US politicians [illegible] yet fully grasped [illegible] significance of [illegible] development because [illegible] in [illegible] bull [illegible] for [illegible] past [illegible]. But by [illegible] presidential election [illegible] 1996, the performance [illegible] and [illegible] important political variables [illegible] ever [illegible]. Ironically [illegible] great economic [illegible] facing [illegible] administration is [illegible] real [illegible] growth will return [illegible] sluggish [illegible] which leaves unemployment unchanged. [illegible] US now experiences [illegible] economic upturn so robust [illegible] interest rates have to rise sharply, puncturing the post-1991 bull [illegible] in stocks and bonds.

[illegible] Clinton [illegible] this danger? The best option [illegible] be [illegible] engineer [illegible] correction via higher interest rates [illegible] or 1995, setting [illegible] for [illegible] new bull market in 1996.

This is an edited version of a paper presented at the Davos World Economic Forum by the author, chief economist of Kemper Financial Companies

Joe Rogaly

Time-out for the Tories

If [illegible] coming weekend is like most of the others to which [illegible] have become accustomed the Sunday papers will call for Mr John Major's head. Come to think of it, the axeman's cry is frequently heard on weekdays as well. It is misplaced. A new prime minister would not solve Britain's problems; nor would any known candidate necessarily reunite the Tories. What is required is a new government.

First elected in 1979, this Conservative administration has worn itself out. The party's authority will return one day but it [illegible] a period [illegible] from the distractions of office. A few years of relief from care and responsibility – all those loyal worthies to put in charge of all those quangos – would give it time to reconnect its thinking with the concerns of the electorate. When they are ex-ministers some of the brighter members of the cabinet may come to understand that focusing on the outstanding element of the 1980s mix – the efficacy [illegible] market allied to the cult of the [illegible] ual – is not [illegible] sufficient foundation for governance in the present decade or the forthcoming new century. This broadening of thought is impossible while the Tories, who have lost their reputation, remain nominally in power.

On a previous occasion I observed that the factions we see today might be compared to the Christian Democrats and liberals of continental European politics. Such a pair is in open coalition in Germany; in Britain the two traditions are found within the one party. Some of our economic liberals have souped [illegible] up [illegible] of little England [illegible]. This [illegible] Tory [illegible] has [illegible] in function with the [illegible] competent government.

Attempts [illegible] keep [illegible] parts in [illegible] are always [illegible] cannot [illegible] while [illegible] government's majority is so small. [illegible] an administration is to be strong, [illegible] successful, [illegible] to prevail, as [illegible] nationalists did while the then Mrs Margaret Thatcher was prime minister. The Christian Democrats had their day under Harold Macmillan and Edward Heath. [illegible] in [illegible] driving seat, [illegible] opposing faction [illegible] be pushed [illegible] far, as Lady [illegible] recognised [illegible] Mr Heath rarely did.

> **A new prime minister would not solve Britain's problems; nor would any known candidate necessarily reunite the Tories**

[illegible] approach [illegible] possible a work[illegible] understanding between the [illegible] must be reached. Mr Macmillan, as he was known while in Downing Street, kept [illegible]. In the end [illegible] destroyed [illegible]. [illegible] have [illegible] present [illegible] a daily attempt [illegible] compromise [illegible] will [illegible] through [illegible] night. [illegible] panicky [illegible] policy reversals, not to mention regular [illegible] repositionings of [illegible] strategy. [illegible] debilitating for [illegible] party in power, although in opposition [illegible] as [illegible].

This week, for example, [illegible] government [illegible] would centralise control [illegible] police [illegible] subject [illegible] running of magistrates' [illegible] to private-sector management theory. It is in [illegible] elsewhere, [illegible] with [illegible] plans to prevent undergraduates from using [illegible] union funds [illegible] experimental and [illegible] manner that [illegible] expected [illegible] and in further attempts [illegible] wipe [illegible] government [illegible] map.

In ordinary circumstances such [illegible] would [illegible] evidence [illegible] democratic process [illegible] working [illegible] should. [illegible] Parliament, [illegible] by public opinion, amends. The result is [illegible] legislation. [illegible] not, however, ordinary [illegible]. The legislative programme is in difficulties because, [illegible] senior member [illegible] the cabinet put it this week, the government is attempting to reach [illegible] parts [illegible] the body politic that Lady Thatcher her[illegible] never dared [illegible] approach. The latter pri[illegible] the [illegible] targets. [illegible] ministry [illegible] her [illegible] unwilling or [illegible] it only [illegible] apprentice [illegible] privatisation. [illegible] – schools, say, [illegible] or police [illegible] – it attempts to [illegible] from local democratic control. Self-perpetuating boards, [illegible] from disturbing influences [illegible] voters, [illegible]. The command [illegible] lead [illegible].

It [illegible] done very well. When [illegible] prime [illegible] was in [illegible] particularly deep hole [illegible] summer [illegible] to restrict the [illegible] of new bills [illegible] politically uncontroversial [illegible] likely to [illegible] popular. Those responsible for getting the [illegible] through – the chief whip, Mr Richard Ryder, [illegible] the House [illegible] Commons, Mr Tony Newton, and the leader [illegible] the Lords, Lord Wakeham – wanted even [illegible]. They argued for a quiet life, a period [illegible] consolidation. [illegible] made political [illegible] government's best hope lies in keeping [illegible] still while [illegible] rising [illegible] floats it back [illegible] acceptability. [illegible] actual programme chosen – [illegible] law and order, education and deregulation to the fore – [illegible] promise. It [illegible] clear from [illegible] squalls in [illegible] House of [illegible] that [illegible] it was [illegible] much for Parliament [illegible] swallow without gagging.

You cannot conclude from [illegible] above exposition that Labour has [illegible]. It might produce some mild constitutional change but, in [illegible] of a [illegible] philosophy or [illegible] specific ideas the [illegible] ple's party [illegible] to offer. [illegible] of using [illegible] present term of opposition as [illegible] Tories would, namely to [illegible] itself, it has become cataleptic. Its [illegible] merit as a potential party of government [illegible] lited by appearing [illegible] too long [illegible] period in [illegible]. This is not good enough. It looks as if it is preparing to ask us to vote for [illegible] in 1996 on the single argument that the Tories have been in for 17 years and that it [illegible] only fair for Buggins's crew [illegible] given [illegible]. Labour [illegible] careful. Many [illegible] will [illegible] that too.

In short, we [illegible] certain that [illegible] will see the [illegible] of [illegible] Mr Major or [illegible] government, [illegible] the [illegible] election. Disenchantment today [illegible] mean relief tomorrow. [illegible] Labour's selling point will [illegible]. The Tories, broken-down, discredited and exhausted, might yet top it. If the vote comes [illegible] the crest of a boom, following a tax cut, and after a campaign that exposes the emptiness of the alternative.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

Fax [illegible] 873 5938. Letters [illegible] clearly typed and not [illegible] written. [illegible] set [illegible] for finest [illegible]

M&G share scheme criticism unjustified

From Mr L E Linaker.

Sir, The M&G Group's proposal for renewing its executive share option scheme has attracted a certain amount of interest and ill-informed comment from some quarters because it does not conform in one respect to the joint guidelines of the National Association of Pension Funds and the Association of British Insurers.

We are firmly of the view that performance benchmarks for the exercise of options may not be in the best interests of shareholders. In fact, [illegible] guidelines themselves acknowledge the difficulties of prescribing a measurement of performance and have side-stepped the issue by passing responsibility to the remuneration committees of public companies.

M&G has always been a strong supporter of employee share schemes as they provide a powerful motivation for management. We like the identity of interests between executives and their shareholders which options particularly provide and we like to see executives' interest in option shares held long-term. Furthermore, we like to see options dribbled out in relatively small [illegible] a period of years.

[illegible] only do [illegible] consider [illegible] the application of guidelines is inappropriate for [illegible] of our [illegible] business, [illegible] we [illegible] they [illegible] misguided in respect [illegible] companies.

[illegible] investments in [illegible] large [illegible] of medium and small companies in a wide range of industries. [illegible] impracticable [illegible] introduce [illegible] benchmarks for [illegible] companies in all [illegible] different circumstances at [illegible] time when the process of establishing the role and responsibility of remuneration committees is in [illegible] early stages. Remuneration committees should [illegible] and on [illegible] contri[illegible]. Options and, indeed, their packages should [illegible] in [illegible].

Our main [illegible] regarding [illegible]:

1. [illegible] a danger they could [illegible] management to [illegible] in [illegible] interests rather than in [illegible] long-term [illegible] company. They could, therefore, [illegible] to a [illegible].

2. We would [illegible] that, just because a company has, over a given period, performed below some performance yardstick, [illegible] is no [illegible] that management [illegible] worked hard and, indeed, performed [illegible] in [illegible] circumstances. In periods of recession manufacturing companies in particular will find it difficult to meet [illegible] benchmarks.

The [illegible] recession, which [illegible] had [illegible] very [illegible] impact on [illegible] financial performance [illegible] many well-managed companies, [illegible] this point vividly.

3. Benchmarks [illegible] tend to [illegible] options [illegible] being [illegible] later [illegible]. We would much prefer and, indeed, [illegible] management [illegible] their [illegible] in their company [illegible] as long as possible.

4. It [illegible] extremely difficult [illegible] arrive [illegible] a satisfactory benchmark. A benchmark [illegible] to earnings would [illegible] inappropriate and [illegible] all [illegible] how earnings [illegible] can [illegible] manipulated through changes in accounting procedures. [illegible] to [illegible] performance against the index or sub-section of the index are again full of difficulties.

5. There [illegible] real danger [illegible] companies, in their [illegible] for benchmarks, will choose guidelines that are too demanding and which will result in unwise corporate strategies being pursued, [illegible] example Burton.

At M&G we are proud to have played a leading [illegible] in [illegible] development [illegible] good [illegible] rate governance over the past 30 years and we shall continue to speak out with an independent voice on what we consider to be in the best interests of British industry. There is no such thing as a perfect share option scheme but we believe that benchmarks will create [illegible] problems than they solve.

The NAPF, in its [illegible] in [illegible] few cases, is in serious danger of throwing the baby out with the bath water.

L E Linaker,
deputy chairman and managing director,
M&G Group,
[illegible]
Tower Hill,
[illegible]

Pensions view challenged

From Mr [illegible] J Parry.

Sir, Commenting on [illegible] Spencer's [illegible] personal pensions, Lex writes (February 2): "The mass market may be better served by a standardised M&S financial product than the inappropriate personal pensions many have thus far been sold." Why? Is he implying that M&S's in-house pension quality will be as good as its knitwear? The M&S unit trust performance figures hardly support that idea.

Or is he implying that the strictly salaried salesforce will not use any of the usual selling techniques? Does he seriously believe that the salesforce will [illegible] free [illegible] individual sales targets imposed by management?

Your writers above all [illegible] independent [illegible] advisers [illegible] provide [illegible] impartial [illegible] the [illegible] the pensions spectrum.

Moreover, [illegible] required by [illegible] marketplace when advising [illegible] individual. [illegible] will, [illegible] from any such commercially [illegible]ous duty.

[illegible] Lex think [illegible] products [illegible] by [illegible] are, or will be, [illegible] "inappropriate" than [illegible] by [illegible]

D J Parry,
[illegible]
Derek Parry,
Fortfield Chambers,
Sidmouth,
Devon [illegible]

Level of bank's doubtful loans

From Mr Lino Benassi.

Sir, In his article, "BCI improves 1.8 per cent to L368bn" (January 27), Robert Graham says: "The proportion of doubtful loans in BCI's portfolio rose to 3.3 per cent from 2.9 per cent – but this was almost the average percentage for the Italian banking system." Although the figures are correct for BCI's *domestic* loans (the figures for all loans are 2.8 per cent in 1993, compared with 2 per cent in 1992), the comment comparing them with [illegible] banking system [illegible] misleading. In October [illegible] (the [illegible] which figures [illegible] available), BCI's [illegible] actually [illegible] Italian banking [illegible] as a whole, which were 6.4 per cent, compared [illegible] 5.7 [illegible].

Lino Benassi,
finance director,
Banca Commerciale Italiana,
Piazza della Scala, 6,
Milan,
Italy

Advisers in favour of regulation, not PIA

From P L [illegible].

Sir, In [illegible] to your article, "Squabble may spoil [illegible]" (January [illegible] may [illegible] intrigued [illegible] a [illegible] meeting [illegible] of Countrywide Independent Advisers last [illegible] almost [illegible] per [illegible] support [illegible] statutory regulation rather than the Personal [illegible] Authority.

The primary objection [illegible] that [illegible] constitution of the proposed board [illegible] seen to favour public [illegible] put [illegible] self-regulation [illegible] no longer self-regulation.

What is interesting [illegible] independent financial [illegible] speaking. IFAs [illegible] not normally known [illegible] expressing views in favour [illegible] any [illegible] regulation, let alone statutory regulation. But IFAs have [illegible] long way. Like others they [illegible] proliferation of different regulators [illegible] different parts [illegible] personal investment sector to have been [illegible] signal failure [illegible] Services Act and [illegible] the rationalisation proposed.

Regulation is [illegible] for IFAs. It has very positive marketing advantages. IFAs are in [illegible] a single regulatory body with [illegible] and teeth. [illegible] than the government? Government [illegible] fairer than the [illegible] proposed.

[illegible] Palmer, PIA chairman, thinks it would be [illegible] effort and resources if the PIA were not now [illegible]. Surely this [illegible] not [illegible] cumulative experience in getting us thus far [illegible] by government. Many [illegible] people involved would [illegible] government. It [illegible] nonsense [illegible] imply that government would be starting afresh. Furthermore, if all the PIA [illegible] is to crystallise thinking, it will have been [illegible] it.

P L Tann,
chief [illegible]
Countrywide Independent Advisers,
Littlegate House,
[illegible] Ebbe's Street,
Oxford [illegible]

Marque still in the right hands

From Mr Laurence Cook.

Sir, [illegible] I alone in thinking that [illegible] BMW-Rover deal [illegible] positive development? What on earth is wrong with [illegible] marque remaining in European hands?

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Friday February 4 1994

Hosokawa's balancing act

[redacted] politics [redacted] changing fast, [redacted] the [redacted] political reception [redacted] Prime Minister Morihiro Hosokawa's [redacted] Y14,000bn [redacted] fiscal package designed [redacted] the Japanese economic recovery reveals. Mr Hosokawa's proposed tax [redacted] - [redacted] combination [redacted] immediate income [redacted] and a deferred rise in the consumption tax - [redacted] Finance Ministry (MoF) and US government approval. But that, [redacted] seems, [redacted] no longer enough. Man[redacted] [redacted] fractious coalition [redacted] Japan's new democracy [redacted] the prime minister [redacted] into account, not [redacted] the [redacted] of [redacted] coalition partners.

The sticking point, currently holding up [redacted] economic package, is [redacted] planned rise in Japan's consumption tax from 3 [redacted] 7 [redacted] cent from April [redacted]. The MoF, worried about the profligate [redacted] Japan's politicians, [redacted] fought [redacted] and nail [redacted] that [redacted] package [redacted] calculates that [redacted] Y6,000bn [redacted] cut, [redacted] spending [redacted] the blow [redacted] the consumption [redacted] and the [redacted] servicing [redacted] borrowing [redacted] consumption [redacted] rises, will mean a [redacted] a [redacted] after [redacted]. A [redacted] percentage point increase in [redacted] consumption [redacted] should cover this.

Jeopardise recovery

The [redacted] government, [redacted] to [redacted] Japanese government [redacted] consumption, increase imports [redacted] surplus, has consistently opposed [redacted] increase in consumpti[redacted] grounds [redacted] will jeop[redacted] recovery. [redacted] it [redacted] made it clear that [redacted] deferred consumption tax rise would be fine [redacted] long as the net effect of the pack[redacted] is large enough.

How stimulatory Mr Hosokawa's package will actually [redacted] be will [redacted] until the full details are [redacted] The MoF's baffling determination to announce the headline value of fiscal [redacted], while refusing to [redacted] baseline figure [redacted] the extra spending [redacted] cuts can be compared, [redacted] ing Japanese [redacted] pronounce[redacted] difficult. But [redacted] that the US Treasury secretary, Mr Lloyd Bentsen, gave a cautious endorsement of the proposed package suggests Mr Hosokawa got the international politics right.

Whether the package as planned would deliver the Japanese recovery that the US Treasury wants is more doubtful. The problems in the Japanese banking system and the current strength of the yen suggest that a further easing of monetary policy would be more effective, especially if reinforced by a rise in US rates. But widespread deregulation of the economy is the only way to reduce the trade surplus permanently

Bad miscalculation

Yet Mr Hosokawa, flush perhaps from last week's success in forcing through his electoral reform bill, [redacted] to [redacted] badly [redacted] lated [redacted] opposition to higher consumption taxes, even [redacted] deferred form. By renaming the tax a "people's welfare tax", suggesting a link to higher welfare spending, he appears to have reasoned that, despite Socialist opposition, support from the rest of the coalition and the LDP would carry [redacted] measures through. But the strength of opposition across the coalition, [redacted] LDP and the Japanese press suggest that Mr Hosokawa may be fighting a losing battle.

To ignore the MoF's concerns and simply remove the consumption tax increase from the package would be a mistake. Both Japanese and international experience suggests that unstable politics can easily lead to fiscal profligacy. But the MoF's insistence on a revenue-neutral package is unnecessarily severe. Even after four previous fiscal packages, the OECD calculates that Japan had a structural (cyclically adjusted) budget *surplus* equal to 0.8 per cent of gross domestic product last year, compared with deficits of 3.3 per cent in the US, 3.7 per cent in Germany and 5 per cent in the UK.

What the prime minister needs is a compromise which satisfies the MoF and holds together the coalition and allows him to pursue the deregulatory agenda which is the key to trade relations with the US. If a smaller rise in the consumption tax is the price for a deal, then the MoF must be prepared to accept it.

Public pay arithmetic

The British government was right yesterday to accept the recommendations of pay review [redacted] ering teachers, [redacted], doctors, [redacted] and [redacted] public officials.

A [redacted] override the recommendations for a second year in a row would have fatally undermined [redacted] independent [redacted] review system. [redacted] in depoliticising the setting [redacted] for over 1.5m [redacted] all public-sector staff.

Moreover the pay increases, which are mostly in the [redacted] per cent to 3 per cent range, seem a [redacted] compromise between employer and employee [redacted]. [redacted] are certainly greater than ministers would [redacted] they are [redacted] than the employees were seeking. Once April's [redacted] bite, affected [redacted] will still be worse off in real [redacted].

It was [redacted] good [redacted] see the [redacted] in [redacted] decentralised pay-setting. Pay should be set by reference [redacted] balance between supply and demand in local labour [redacted]. Much [redacted] needs [redacted] on [redacted].

In a sense, though, accepting the recommendations was the [redacted] part [redacted] government's task. [redacted] the hard part: squaring [redacted] pay [redacted] with the government's [redacted] policy of freezing [redacted] public [redacted] bill in cash terms.

The government has [redacted] consistently mealy-mouthed about what [redacted] policy means [redacted] it [redacted] announced [redacted] September and extended from [redacted] one-year to a three-year freeze in November's Budget. In particular, ministers have sought [redacted] give the impression that provided people work hard and improve their productivity, [redacted] only will [redacted] rise but there will be no need to cut jobs.

Simple arithmetic

Greater productivity [redacted] desir[redacted]. But [redacted] irrelevant [redacted] the government's policy [redacted] a pay bill freeze. If pay [redacted] by 3 per cent, then the number of employees must also fall by a broadly [redacted] amount [redacted] the [redacted] bill [redacted] stay unchanged. This [redacted] a matter [redacted] simple arithmetic.

Not surprisingly, government officials have recently [redacted] retreating from the idea of a pay bill freeze, though the policy switch has not been spelt out. The current approach appears to be [redacted] government departments' [redacted] running [redacted] their pay bills, that will be frozen. This means in theory that cost savings achieved outside the pay bill could be used to increase pay and maintain staffing levels. How[redacted] given [redacted] typically [redacted] running costs, job [redacted] seem unavoidable.

There are several directions in which ministers might be tempted to avoid this conclusion. But none is appealing.

Future troubles

First, the government could [redacted] down particularly hard on the [redacted] covered by pay review [redacted]. Not only [redacted] unfair. It [redacted] also [redacted] up troubles for the future, [redacted] employees sought [redacted] catch up on [redacted] missed this year. The [redacted] could be [redacted] pressures just at [redacted] wrong [redacted] the [redacted] cycle.

Second, ministers could aban[redacted] policy of freezing running costs/pay bills. But this [redacted] mean [redacted] up [redacted] the battle [redacted] control [redacted] public[redacted] deficit [redacted] raising yet more [redacted] an [redacted] option.

That leaves job cuts as the main way of increasing pay rates while freezing pay bills or departmental running costs. Perhaps that has been ministers' secret agenda all along. Certainly, it is the [redacted] credible course of action given the gaping budget deficit and the need [redacted] maintain confidence in the review bodies.

[redacted] trade unions and the Labour party will not, of course, see things that way. They say job cuts will lead to cuts in public services and/or [redacted] deterioration in quality.

But this is [redacted]. The public sector is already achieving improvements in productivity. The record [redacted] privatised industries, where jobs have been cut in large numbers [redacted] standards [redacted] improved, is [redacted] dramatic pointer [redacted] what can [redacted] attained. [redacted] minis[redacted] must be [redacted] similar improvements in the public sector.

Dirty campaigns and uncertainty mean German election results are unlikely to be clear-cut, says **Quentin Peel**

Chorus of the master mudslingers

If [redacted] thought that [redacted]many's marathon election [redacted] was [redacted] be a good, clean-cut campaign about issues, they [redacted]. The mudslinging has only just begun.

First it was about supposed revelations from the personal files of the late [redacted] Willy Brandt, [redacted] ing suspicion [redacted] colleagues [redacted] party (SPD) as alleged fellow-travellers [redacted] communists.

This [redacted] it [redacted] story suggesting that Mr Johannes Rau, [redacted] of [redacted] and [redacted] party's [redacted] for [redacted] president in May, [redacted] given electoral support by [redacted] former [redacted] in [redacted] general [redacted].

In retaliation, [redacted] Wolfgang [redacted], parliamentary [redacted] of [redacted] Democratic Union and its Bavarian sister-party, the Christian Social Union, stands accused of having promised to "respect" East German citizenship (which the west refused to recognise officially) as part of a deal to stop the flow of asylum-seekers across the inner-German border.

Mud was also flung at the Berlin city leader of the Free Democratic party (FDP), the minority partner in the ruling coalition. She was forced to resign over the so-called "Figaro affair", in which she is alleged to have charged her hairdressing bills to the party funds.

To an outsider, it all appears remarkably arcane and irrelevant. To many voters in eastern Germany, voting in a western democratic system for only the second time, it looks the same. But it does give an indication of the political backbiting still to come.

Mr Rudolf Scharping, the SPD's new [redacted] and youthful challenger for the [redacted] job, [redacted] party fa[redacted] campaign could rapidly degen[redacted]. "We all know that when it really comes to the crunch, when it is a question of hanging on to power itself, the CDU and CSU will fight ruthlessly to protect their position," he said. "The past days have given us a foretaste of what is to come."

There is an awful lot to play for, with 19 separate elections on the cards: from the state election in Lower Saxony on March 13 to the general election for the Bundestag on October 16, via the electoral college vote for state president in May, European elections in June, and a string of state and local polls.

Given a rising tide of disaffection in the electorate at large for the entire political establishment, and a whole new area of uncertainty in former East Germany, predictions are still a risky business.

There is no decisive lead in the polls between the broad blocks of left and right, although the opposition Social Democratic party clearly has the edge at the moment. More confusingly, there is a range of parties that could attract protest votes, ranging from [redacted] well-established Greens, through the former Communist party in the east - the party of Democratic Socialism (PDS) - to the far-right Republicans, and at [redacted] anti-party citizens' [redacted].

Not only is a messy series of campaigns in prospect, but a messy outcome too.

The most cautious opinion poll, the Politbarometer broadcast every month by the ZDF television [redacted]tion, puts the SPD on 39 per cent support, [redacted] CDU/CSU on [redacted] per cent, the Greens on 10 per cent, and the FDP on 5 per cent - "if there [redacted] general [redacted] next Sunday".

That means that neither leftwing (SPD-Green) nor rightwing (CDU/CSU-FDP) coalitions would be able [redacted] gain [redacted] clear majority [redacted] the Bundestag, [redacted] directly elected lower house of parliament, in October. It would only take one or two protest parties to gain the 5 per cent of votes needed to get into the Bundestag, to make a grand coalition of left and right - SPD and CDU - unavoidable.

The fact is that west Germany - the old federal republic - is evenly split between left and right. According to the other main polling organisation, the Allensbach Institute, the SPD is on 38 per cent support, as against 36.4 for the CDU/CSU, in the west as a whole. The real difference between them lies in the east.

That was where Chancellor Kohl won his re-election back in 1990, and that is where he has seen his party support slump from almost 42 per cent then to less than 20 per cent today. In the recent local elections in Brandenburg, he suffered the ignominy of coming third, with the former Communists getting more support. The opinion polls confirm that trend.

There is widespread bitterness in the east at the failure of western politicians to realise the extent of the post-unification trauma they have suffered. It centres above all on unemployment, and the fact that [redacted] of small [redacted] villages, [redacted] joblessness [redacted] anything [redacted] potentially active labour force. [redacted], unemployment [redacted] there.

[redacted] CDU [redacted] reap [redacted] benefit. [redacted] Democrats' party organisation [redacted] in [redacted] they [redacted] to begin [redacted] scratch, because [redacted] Democratic party [redacted] been forcibly merged with [redacted] Communists. Party managers fear they may [redacted] to exploit the full potential of the protest.

The same [redacted] true in [redacted] west. Given [redacted] sharpest recession [redacted] the postwar economic miracle in Germany began, [redacted] opposition should be coasting to victory. In fact, [redacted] SPD [redacted] struggling to [redacted] per [redacted] barrier.

The challenge for [redacted] Scharping [redacted] to demonstrate [redacted] party [redacted] *regierungsfähig* - [redacted] for govern[redacted]. [redacted] has [redacted] persuade [redacted]tially conservative electorate [redacted] his party's reputation for [redacted] squabbling [redacted] utopianism [redacted] longer true.

In [redacted] eight [redacted] since [redacted] leader, he [redacted] made consid[redacted]. He has whipped [redacted] leaders, like the erratic [redacted] Oskar Lafontaine, his chief economic spokesman, and the ambi[redacted] Mr Gerhard Schröder, premier of Lower Saxony, into line. [redacted] distanced himself from [redacted] commitment to [redacted] SPD-Green coalition, which might scare off middle-of-the-road [redacted]. He has yet to put [redacted] foot wrong.

That is the problem for Chancellor Kohl, who exudes self-confidence in spite of being the least popular of all Germany's leading politicians.

Mr Kohl [redacted] seeking [redacted] this unpopularity by presenting himself as the [redacted] hand on the tiller in uncertain times. His [redacted] is [redacted]rity - from the external instability of [redacted] Europe and Russia (ultranationalist leader Mr Vladimir Zhirinovsky's [redacted] in the Russian elections [redacted] a big bonus), and from the internal instability of economic recession. He knows that voters normally opt [redacted] conservatives in times of trouble.

[redacted] most worrying for his advisers is that [redacted] that safe bet seems in doubt. According [redacted] another recent poll, [redacted] per cent think the SPD can lead Germany out of the [redacted] crisis, against 29 [redacted] for the CDU. [redacted] for the party leaders, 36 per cent see Scharping as [redacted] better man for the economy, [redacted] against 23 per cent for Kohl. The chancellor only scores better on foreign policy (45 per cent) and the threat from Russia.

The other danger for the chancellor [redacted] that the election marathon might produce a negative momentum, with the SPD scoring well in the state elections, and building up an unstoppable drive [redacted] the Bundestag poll. [redacted] why the CDU resisted bitterly [redacted] to hold early elections in Saxony-Anhalt, where [redacted] feeble coalition with the FDP [redacted] certain to [redacted] power. "The danger of two [redacted] victories in March - in Lower Saxony and in Saxony-Anhalt - [redacted] have been fatal," according [redacted] one of the chancellor's close aides.

Things still look pretty bleak for Mr Kohl. The European elections in June, [redacted] with an array of local council [redacted] on the [redacted] day, [redacted] well produce [redacted] big protest vote. All the established parties fear a good showing by [redacted] extreme rightwing Republicans in [redacted] European poll, when voters feel [redacted] of responsibility.

[redacted] then, [redacted] use all [redacted] political [redacted] try to turn the polls around. He is exploiting [redacted] opportunities for statesmanship, [redacted] trip [redacted] Washington, [redacted] the full. But the German elections [redacted] decided above all by domestic issues, by measures [redacted] unemployment, law and order, and immigration.

At this stage, the most likely outcome [redacted] still be [redacted] grand coalition, with a significant protest vote - including many who simply [redacted] home - above all in the disenchanted east.

Germany's 1994 election marathon

[redacted]	Lower Saxony	[redacted] parliament
[redacted] 20	Schleswig-Holstein	[redacted]
[redacted]	[redacted]	[redacted] president
[redacted]	[redacted] Germany	European parliament
	Baden-Wurttemberg	Local councils
	Mecklenburg-Vorpommern	[redacted]
	[redacted]	Local [redacted]
	Saarland	[redacted]
	Saxony	Local [redacted]
	Saxony-Anhalt	Local [redacted]
	Thuringia	Local [redacted]
June 26	Saxony-Anhalt	[redacted] parliament
September 11	Brandenburg	[redacted] parliament
	Saxony	[redacted] parliament
September 25	Bavaria	State parliament
October	Mecklenburg-Vorpommern	[redacted] parliament
	[redacted]	State parliament
	North Rhine-Westphalia	[redacted]
[redacted] 16	ALL GERMANY	[redacted]

Why Rover left home

Tony Jackson on nostalgia for the UK's car industry

If this week's letter columns in the British press are a guide, the sale of Rover to BMW is being condemned up and down the country. This [redacted] perfectly [redacted]. In the psychology [redacted] any manufacturing nation, the car industry plays [redacted] role [redacted] beyond mere economics. Even in a country whose industrial self-esteem is as low as the UK's, the collapse of the [redacted] carmaker into foreign hands is bound to cause an atavistic twitch.

How far this is rational is another matter. In [redacted] logic, the game was up for Rover a decade ago and more. The last cars which it developed [redacted] own [redacted] the Maestro [redacted] Montego in the early 1980s. [redacted] since, it [redacted] heavily on [redacted] and engineering. The Rover [redacted], launched last [redacted], is nothing [redacted] than [redacted] lightly disguised [redacted] Accord. [redacted] that future [redacted] may [redacted] similarly disguised BMWs is regrettable, but no worse than [redacted] quo.

Land Rover is, of course, a different [redacted] highly [redacted] product, domestically designed and made. There is no reason to suppose this will change. When car companies [redacted], [redacted] key [redacted] saving costs is designing a common chassis. But BMW has no chassis relevant to Land Rover, nor does it plan to produce one. It has every incentive to [redacted] well alone, except that its much bigger dealer network will presumably help Land Rover's sales overseas.

But, the letter-writers [redacted] say, this is beside the point. Previously, Rover was British-owned and controlled. Now it is not. True enough: but again, the damage was done [redacted] long time ago. Granted, Rover's present owner, British Aerospace, is [redacted] true-blue as they come. [redacted] its purchase of Rover [redacted] the UK gov[redacted] in 1988 owed at [redacted] as much [redacted] politics [redacted] to commercial logic. Not for the first time, privatisation was [redacted] means of ducking a politically awkward issue: [redacted] case, the [redacted] necessity [redacted] selling [redacted] into foreign hands. As an expedient, it was always bound to [redacted] temporary. [redacted] was no industrial case for BAe owning Rover; and financially, as BAe conceded this week, it simply could not afford to develop [redacted] Rover and its defence business in the long run.

All the while, it was clear that Rover was too small to survive alone. It [redacted] to [redacted] with another car company. There being no [redacted] British volume [redacted] pany left, this logically meant merging [redacted] a foreigner. The foreigner also had to be strong enough for the [redacted] to thrive. Logically, this [redacted] that [redacted] had to be the junior partner.

The peculiarly emotional character of carmaking has merely postponed an inevitable event

[redacted] already [redacted] this [redacted]son the hard way, when it sold [redacted] Leyland [redacted] Daf in 1987. Daf proved [redacted] weak a partner, and the merged company went bust last year. BMW may not be among the giants [redacted] the [redacted] industry, but it has three times Rover's turnover. [redacted] is also consistently profitable, whereas Rover has [redacted] loss before tax for the past three [redacted] least.

None of this means that Britain's demise [redacted] independent [redacted] producer is welcome. On the one hand, Britain has on balance benefited from its open-door policy on inward investment, especially from Japanese makers of cars and consumer electronics. But it is not all plain sailing. [redacted] high-technology electronics industry, for instance, has found that turning out silicon chips and personal computers [redacted] its American [redacted] has done little to develop the local supply [redacted] technology or components.

Again, Britain's [redacted] to foreign takeover is [redacted] terpart [redacted] its appetite [redacted] buying companies overseas. Indeed, some foreign takeovers of UK companies seem genuinely [redacted] have helped [redacted] parties. Nestlé's highly contentious takeover of Rowntree six years ago has done nothing to harm Britain's output [redacted] chocolate. Siemens's purchase of large chunks of Plessey at around the same time was [redacted] step [redacted] the [redacted] building [redacted] turnover [redacted] in the UK.

But there is always the risk that a foreign buyer will simply seize the opportunity of closing down a competitor. Thomson of France bought Ferguson, the television manufacturer, only to shut UK production and keep the brand. General Electric of the [redacted] bought Thorn's UK lighting business, and [redacted] closing much of it in favour [redacted] manufacturing in Hungary.

In Rover's [redacted] there is a more specific danger. [redacted] ex-chairman of Land Rover pointed out in the FT's letter columns yesterday, the history of takeovers in [redacted] car industry - as elsewhere - is littered with failures. [redacted] has grown organically throughout [redacted] history, and [redacted] previous experience of [redacted]. If it [redacted] Rover as the underdog may [redacted] more than [redacted] of the kicking.

Thus, this week's announcement [redacted] greeted with [redacted]. Of [redacted] there are risks involved. [redacted] course Britain would be better [redacted] making [redacted] own [redacted]. But [redacted] peculiarly emotional character of [redacted] industry has merely postponed an inevitable event. [redacted] that it has finally arrived, [redacted] use crying over spilt milk: especially when it was spilt such [redacted] long time ago.

OBSERVER

The siren calls of Paris

■ Does the [redacted] government ever talk to itself? Lord Lawson, bidding to be next boss of the [redacted] Co-operation and Development, [redacted] not [redacted] only [redacted] a cushy job in [redacted] Priddle, a deputy secretary at the DTI, is also being pushed to be executive [redacted] International Energy Agency.

It's all [redacted]. [redacted] IEA [redacted] an OECD affiliate - they share the [redacted] headquarters in [redacted] 16th [redacted] - and it's unusual for [redacted] government [redacted] the [redacted] top jobs in allied institutions, especially when both are hotly [redacted].

Number [redacted] and the Treasury have thrown their collective weight [redacted] Lawson's candidacy [redacted] the OECD. However, the DTI has been backing Priddle, 55, for the IEA post - [redacted] from Belgium, Norway and Italy - since the middle of last year. Although there is no vacancy yet, the present incumbent, Helga Steeg, 66, is expected to retire later this year, after 10 years in the post.

Priddle is better qualified than his present post - head of the DTI's corporate and consumer affairs division - might suggest. An energy expert, he chaired the IEA governing board between October 1991 and September 1992. He was also in charge of the UK government's energy policy until [redacted] October [redacted] when he was [redacted] his present post [redacted] week after the crisis over coal pit closures.

Qualified he may be; but with a government apparently unable [redacted] get its internal communications straight, [redacted] may still have problems [redacted] through.

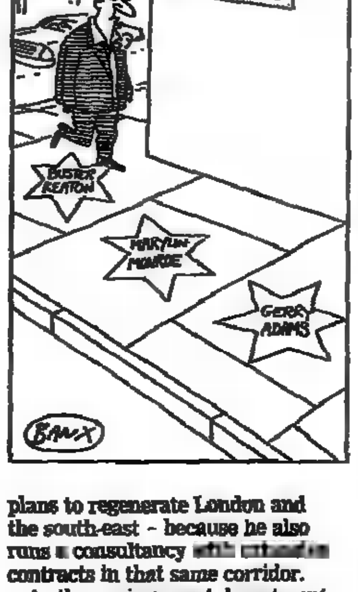
Turkish blue

■ Advisers to Turkey's [redacted] Tansu Çiller are quick to dismiss cynics who suggest her trip [redacted] Sarajevo this week was little more [redacted] a "photo opportunity", conveniently staged to take attention away [redacted] monetary troubles. Still, her light blue [redacted] perfectly [redacted] the United Nations' tin helmet and flak jacket she donned . . .

Locked in silence

■ Here's a rum do. John Gummer, environment secretary, has just appointed as chief planning adviser someone who is debarred from giving advice on one of the biggest issues on Gummer's plate.

[redacted] Lock has been hired [redacted] advise on the development of strategic land use planning in England. But Lock can't talk to Gummer about what is going to happen to the East Thames corridor - a key element in government



plans to regenerate London and the south-east - because he also runs [redacted] consultancy [redacted] contracts in that same corridor.

As the environment department [redacted] yet [redacted] publish [redacted] strategic plan for the corridor, Lock must maintain a Trappist silence not just over the corridor but also the Channel tunnel rail link.

To make matters worse, Lock's appointment means farewell to the highly respected Peter Hall, special adviser on planning to three environment secretaries since 1991. Hall, Britain's top thinker on planning and urban development, was brought back from the University of California by Michael Heseltine, [redacted] spearheaded [redacted] London corridor concept. [redacted] now returns [redacted] a full-time chair [redacted] University College, London.

Commissar Chris

■ [redacted] Meyer, the no-nonsense press secretary charged [redacted] polishing John Major's image, [redacted] an insight - maybe [redacted] warning? - as to how he plans to run the show.

Meyer has [redacted] his office with framed copies of Pravda, the [redacted] all-powerful organ [redacted] the Soviet Communist party. Close inspection [redacted] the [redacted] date not from post-democracy Russia, but instead from the good old days, [redacted] anti-regime [redacted] could merit a spell in the [redacted]. Pravda's [redacted] important function then was to kid its readers that all was well and the political leadership the [redacted] imaginable. Meyer's nostalgia may be deeper than he thinks . . .

Invesco veritas

■ The CV can sometimes be an inglorious document, puffing this and concealing that. The one [redacted] that [redacted] John Morgan [redacted] joining [redacted] European regional board [redacted] Invesco, [redacted] strangely [redacted] on [redacted] points.

[redacted] *Who* [redacted] that [redacted] John [redacted] managing director (international relations) of Maxwell Communications Corporation in [redacted] and also on [redacted] board of The European, [redacted] Robert [redacted] ambitious newspaper venture.

But perhaps Invesco is trying to learn from its mistakes; last year it was fined [redacted] record £750,000 by Imro, [redacted] management regulator - for a range [redacted] regulatory [redacted] in [redacted] with the Maxwell affair.

Baker's interval

■ First David Mellor, ex-heritage minister, takes up an arts column for The Guardian newspaper. Now Kenneth Baker, former [redacted] and home secretary and ex-chairman of [redacted] Conservative party, [redacted] doing a stint as theatre critic for the Sunday Express.

Baker fancies himself as [redacted] literary chap; he has edited anthologies of English literature and has [redacted] a frequent theatre-goer for years. His new job won't interfere with [redacted] parliamentary duties; being a critic means that after first nights - which start early - he can be [redacted] in the House by 10pm.

Shrinking Vlad

■ The good news [redacted] Vladimir Zhirinovsky, the [redacted] nationalist, [redacted] see [redacted] psychiatrist. The bad news [redacted] that it [redacted] Radovan Karadzic, leader of [redacted] Bosnian [redacted].

FINANCIAL TIMES
Friday February 4 1994

Voluntary pacts between unions and employers backed

Brussels retreat on works councils

By David Gardner in Brussels

The European Commission is watering down its proposal for mandatory elected works councils in pan-European companies, in an effort to garner business support.

Instead [illegible] a uniform [illegible] compulsory consultation with [illegible] representatives, [illegible] new draft directive [illegible] induce voluntary agreements [illegible] company level, with unions and employers deciding their own [illegible] operandi.

"We have [illegible] for the [illegible] course... in [illegible] proposal [illegible] palatable to [illegible] employers' side," [illegible] official [illegible] Mr Padraig Flynn, the [illegible] commissioner.

[illegible] if employers [illegible] unions fail [illegible] then a reduced [illegible] minimum requirements [illegible] consultation will [illegible] imposed [illegible] workers demand them. "We hope the mere threat of imposed conditions induces agreement," the official said.

The Commission's original proposal has been blocked for more than three years by the UK. But Britain's 11 partners decided to press on with the directive, without the UK, after the Maastricht treaty came into force in November. But British trans-European companies will still be [illegible] those most affected.

Mr Flynn said: "The aim of any legislation should be to bring them to the negotiating table and let them agree whatever they think is best." He added that "the paradox of this directive is that it will succeed best if it is never applied but that if it did not exist, nothing would happen."

The senior Commission official said "the calculation we've made is that this is still a text with something in it for everyone".

But Mr Emilio Gabaglio, general secretary of the European Trade Union Confederation, described the new plan yesterday [illegible] "a complete U-turn by the Commission" and "totally unacceptable".

Mr Zygmunt Tyszkiewicz, secretary-general [illegible] Unice, the Euro-employers lobby, also dismissed [illegible] plan [illegible] "unacceptable" in a [illegible] to Commission president Jacques Delors. "The adoption [illegible] a directive ... will discour[illegible] investment and damage employment prospects," he said.

Brussels is set to approve the plan next Tuesday, from when Unice and Etuc will have six weeks to decide whether they can reach an agreement which obviates the need for the directive.

[illegible] form they [illegible] unlikely to do so, and the Commission expects to get the measure into EU law this year. It will still apply to companies with at least 1,000 employees, and more than [illegible] hundred in at least two member states.

Negotiations to create a consultation mechanism will now have to be triggered by a request from 500 employees or their representatives, against the previous requirement of two representa[illegible] of [illegible] unspecified number [illegible] workers.

The minimum [illegible] the right [illegible] information, [illegible] include the financial, investment, production employment and [illegible] situation of [illegible] company. But [illegible] right [illegible] consultation [illegible] now "much more limited", one Commission [illegible] acknowledged. [illegible] previously [illegible] virtually all trans-frontier business activity, it [illegible] limited to decisions to [illegible] production, causing [illegible] employment conditions.

The proposal will affect some 1,500 Euro-enterprises, the Commission calculates, including 300 British companies. UK companies [illegible] the continent will obviously be covered, but employees in the UK will be counted in gauging which companies are bound by the directive.

$200m East European fund launched

By David Marsh in London and Nicholas Denton in [illegible]

Foreign capital flows into booming [illegible] European [illegible] markets look [illegible] further following [illegible] launch [illegible] investment fund for buying shares in [illegible] Czech Republic, [illegible] and Hungary.

The [illegible] being [illegible] today by [illegible] First Boston, the London-based [illegible] bank, and Cazenove, the London stockbroker. It will be the largest so far for institutional and private investment in listed companies in central and eastern Europe.

Several analysts yesterday voiced concern that eastern European shares may be overpriced. The Warsaw, Prague and Budapest stock exchanges rose 300 per cent, 96 per cent and 28 per cent respectively in dollar terms [illegible] year.

Following a further 58 per cent increase in the Budapest stock market index in January, a Budapest investment bank executive said yesterday: "The market is already overblown and [illegible] already [illegible] it."

Creditanstalt, a leading Austrian bank, recently [illegible] share prices had been driven excessively high by [illegible]lative [illegible] buying.

However, Mr [illegible] Harman, [illegible] CS First [illegible] managing director, said he was "optimistic" about subscriptions to the fund. He expects particular d[illegible] from [illegible] investors seeking [illegible] methods of increasing their [illegible] emerging [illegible].

The fund amounts [illegible] about 1 per cent [illegible] total [illegible] capitalisation of the Prague, Warsaw and Budapest stock exchanges, respectively $14bn, $3bn and $1bn at the end of last year.

A total of $150m is expected to [illegible] through marketing the fund to international institutional investors from next week, with the balance of $50m coming from private investors. Shares in the fund and accompanying warrants are expected to be listed on the London stock exchange from mid-March.

CS First Boston has been one of the most active investment banks in [illegible] eastern Europe. It [illegible] managed [illegible] of [illegible] Hungarian airline Malev and [illegible] the Budapest [illegible] ment's [illegible] on privatising the banks.

In spite of high foreign interest in central European stock markets in recent months, there are [illegible] investment [illegible] focused [illegible] the region. The Bar[illegible] Emerging Europe trust, which raised $124m at the end of last year, splits [illegible] between Mediterranean countries and eastern Europe.

Additionally, [illegible] country funds have [illegible] up for Hungary and the former [illegible] many.

Foreign tidal wave hits eastern bourses, Page [illegible]

Surge in German M3

Continued from Page 1

beat [illegible] deadline. Economists [illegible] to [illegible] yesterday [illegible] as much conditioned by the [illegible] bout of sabre-rattling in the dispute over [illegible] for [illegible] by the M3 figure.

They [illegible] the [illegible] bank would have [illegible] the wrong signal [illegible] unions and employers if [illegible] yesterday.

Audi chief

[illegible] from [illegible] 1

Meanwhile, Volkswagen yesterday withdrew a claim [illegible] in a press [illegible] on Wednesday quoting a [illegible] judge as saying charges that [illegible] Motors [illegible] come [illegible] VW's possession "could not [illegible] proved". [illegible] "misinterpretation" [illegible] error.

Pratt & Whitney wins $400m aero-engine order from JAL

By Paul Betts, Aerospace Correspondent

[illegible] & Whitney [illegible] yesterday clinched a $400m engine [illegible] Japan Airlines' fleet [illegible] new Boeing [illegible] wide-bodied aircraft against fierce competition from its [illegible] rival General [illegible] and from Rolls-Royce [illegible] the UK.

JAL's [illegible] for both the UK aero-engine [illegible] and GE in the three-way [illegible] to sell high-thrust engines to power [illegible] new generation [illegible] expected [illegible] increasing [illegible] during the next 10 [illegible].

P&W, [illegible] subsidiary [illegible] the United Technologies conglomerate, [illegible] that [illegible] competi[illegible] the JAL order had been "a nail-biter", although [illegible] had [illegible] the favourite [illegible] win.

The deal comes at a time when large engine and commercial aircraft orders continue to be scarce because of the financial problems of many airlines, and the three engine manufacturers are having to invest heavily in the development of big engines with thrusts of more than 100,000lbs.

The battle for the 40 engines to power the 20 Boeing 777s ordered by JAL pitched P&W's PW4084 engine against [illegible] GE90 and Rolls-Royce Trent 800.

The win now gives P&W 51 per cent of the market so far for 777 engines compared with 29 per cent for GE and 20 per cent for Rolls-Royce.

The UK company yesterday admitted it was disappointed but said it had always regarded the JAL competition "very difficult".

[illegible] now [illegible] the engine market for all 777s [illegible] by Japanese carriers. Both All Nippon Airways [illegible] Japan Air System had already selected the PW4084 engine [illegible] power their 777s.

This was one of the decisive factors in JAL's selection of the P&W engine because the three Japanese carriers are seeking to reduce operating costs through a joint maintenance [illegible].

The Boeing [illegible] will [illegible] rolled out in April. The aircraft is [illegible] United [illegible] of the US with P&W engines.

Rolls-Royce, which [illegible] investing about £400m in the development [illegible] the Trent, [illegible] announced it [illegible] a new world [illegible] engine power [illegible] by running its Trent 800 [illegible] 106,000lbs of thrust.

Rolls-Royce has so [illegible] won [illegible] and options [illegible] 100 [illegible] 800 [illegible] power Boeing 777 aircraft [illegible] by Cathay [illegible] Thai International.

THE LEX COLUMN

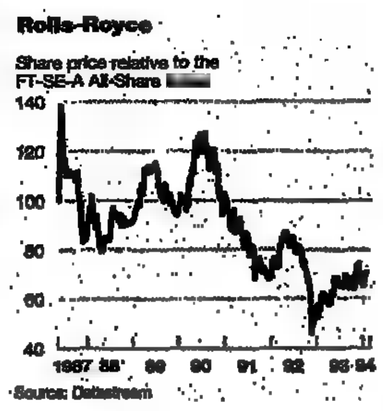
Money worries

The Bundesbank was never likely to [illegible] yesterday, with December M3 money supply growing at an annualised rate of 8.1 per cent. It matters little that the figure was badly distorted, or that the underlying news on inflation and wages is good, or even that the D-mark has been more stable in exchange markets recently. The bank could not announce a money supply figure so far above target and then cut rates without serious loss of credibility. What [illegible] clear [illegible] whether money supply was the only factor holding it back.

The [illegible] interest rate trend has become difficult to read as market rumours intensify of [illegible] possible Federal Reserve tightening. Talk yesterday that such action was imminent damped US financial markets. It also [illegible] others, including the UK, which had run up earlier [illegible] anticipation [illegible] round [illegible] European interest rate cuts. The Fed's intentions [illegible], of course, by no means certain and the current US inflation picture [illegible] suggest a need for urgent action. When it does [illegible], though, the exchange market impact of a Fed tightening will inevitably make the Bundesbank more circumspect.

Even if the Bundesbank is simply worried about the money supply, nothing is likely to happen before the next council meeting that would make it change its mind on rates. Its cautious pace may thus continue to disappoint. [illegible] rate cut looks even [illegible] remote, especially since the latest reserve figures suggest the authorities prefer to counter sterling strength by intervention.

FT-SE Index: 3491.5 (-28.8)



Source: Datastream

Rolls-Royce

The current contest to produce the world's most powerful aero-engine seems to be driven by machismo. While very high thrust engines are required for new wide-body twin-engined jets, the recent tests of the GE90 and Rolls-Royce's Trent engines produce 25 per cent more power than such aircraft currently require. At present only the Airbus A330 and the Boeing 777 need these engines, yet GE, Pratt & Whitney and Rolls have all invested hundreds of millions in this technology while orders have been scarce. All three have to compete on [illegible] and price for [illegible] business there is.

In that context, Rolls' loss of the engine order for Japan Airlines' new Boeing 777s is disappointing but unsurprising. JAL can hardly afford to spend lavishly and, since two other Japanese airlines have already specified Pratt engines for their 777 fleets, JAL has an incentive to share maintainance [illegible]. Rolls may be [illegible]ing the race for orders on the Airbus 330, but is lagging badly with the more significant Boeing 777. That has stretched out the pay-back period for the Trent.

Perhaps even more significantly, the market may not grow rapidly enough to justify the investment in three such engines. With orders unlikely to pick up for at least two years, competition will intensify. Pratt and GE both have deeper pockets than Rolls, and bigger balance sheets to support a protracted fight. They are also less dependent on the aerospace cycle. Rolls' rating of 50 times likely 1993 earnings seems to reflect more than generously the company's own sunny optimism.

News Corporation

The 5 per [illegible] in News Corporation's shares in [illegible] to perky interim results will help restore the company's reputation, which [illegible] a bashing [illegible] its plans [illegible] super voting shares. [illegible] and BSkyB made particularly strong contributions to the results. Only the self-induced pain of the newspaper price-cutting campaign in the UK blotted News's progress.

The withdrawal of the super share proposals has seemingly stymied any grand [illegible] that Mr Rupert Murdoch may have [illegible]tained. The company has an under[illegible] to bank debt to fund expansion. [illegible] ability [illegible] issue straight equity is [illegible] by the desire not to dilute the Murdoch holding below 32 [illegible] cent. Still, [illegible] has plenty left to chew on at present. Star TV, which is likely to lose $20m in the full year, should absorb much of Mr Murdoch's energies as he attempts to transform it into a subscription service. Fox Network will also have to [illegible] hard [illegible] justify [illegible] high [illegible] it paid [illegible] football rights.

News's existing [illegible] therefore likely [illegible] take [illegible] deliver. Australian industrial stocks should certainly post a faster rate of earnings growth for the foreseeable future. But towards the end of the decade, that picture could change fast. If BSkyB blossoms, Star comes good, and the American [illegible] delivering [illegible] advertising [illegible] then News should be printing money. The strength of [illegible] stream [illegible] even [illegible] the [illegible] strategic [illegible].

Transatlantic Holdings

The flotation of 25 per cent of Capital Shopping Centres will come as a welcome addition to the quoted property sector. Prime shopping centres are currently the hottest property investment market and Capital boasts one of the biggest portfolios of such sites. The flotation will give Capital greater flexibility to restart a development programme or buy other prestigious retail sites. Its parent, Transatlantic, is hardly flush with cash itself. A recapitalisation of Capital is a simple way to gear up for the next cycle. Most other big property companies have [illegible] the institutions; [illegible] seems only fair [illegible] Capital should take [illegible] turn.

The intriguing aspect is how ambitious Transatlantic will be with the pricing. Capital's properties have never knowingly been undervalued. Mr Donald Gordon, [illegible] chairman, has long complained [illegible] the [illegible] techniques used by [illegible] Royal Institution [illegible] Surveyors, but Transatlantic clearly hopes [illegible] considerable premium over its stated asset [illegible].

[illegible] flotation [illegible] raises [illegible]cions that Transatlantic intends some bolder adventure in the insurance sec[illegible] Alliance is the obvious [illegible]. But, by itself, Capital's [illegible] is likely to make little difference to any such ambitions in this field, [illegible] only about £150m [illegible] new finance being raised.

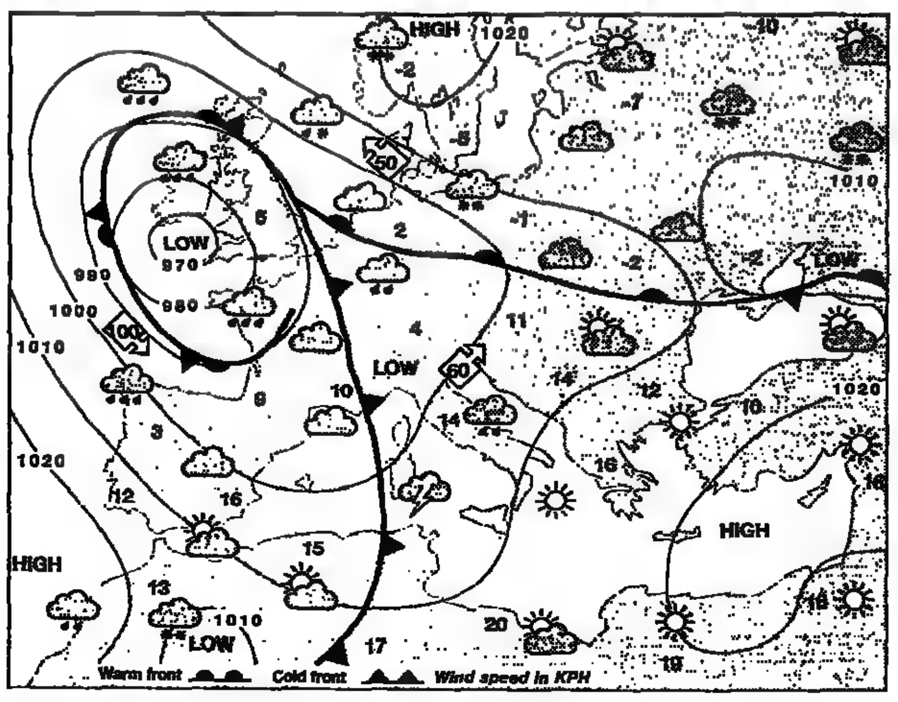
FT WEATHER GUIDE

Europe today

A strong north-westerly air current bringing cool and unstable air into Spain, Portugal and Morocco, will mean many showers, especially in coastal areas. Snow is expected in the mountains. Southerly winds will draw mild and moist air from over Italy and the Alps towards the north. The southern Alps will have cloud with rain or snow. North of the Alps will be sunny with relatively high temperatures. Scandinavia and the north-western CIS will be dominated by high pressure with temperatures far below freezing. Another high [illegible] will keep [illegible] Europe dry with plenty of sun in Greece and Turkey.

Five-day forecast

A westerly air current bringing disturbances into southern Europe will cause unsettled conditions in south-west, central and south-eastern Europe during the weekend. High pressure will remain over Scandinavia and the CIS. As a result northern Europe will continue wintry. Western Europe will be relatively settled There will be a chance of persistent fog.



Situation at 12 GMT. Temperatures maximum for day. Forecasts by Meteo Consult of the Netherlands

TODAY'S TEMPERATURES

		Maximum Celsius
Abu Dhabi	sun	23
Accra	sun	28
Algiers	shower	13
Amsterdam	cloudy	5
Athens	fair	15
B. Aires	shower	28
B.ham	windy	8
Bangkok	fair	35
Barcelona	cloudy	9
Beijing	fair	9
Belfast	rain	6
Belgrade	fair	15
Berlin	cloudy	2
Bermuda	shower	22
Bogota	cloudy	18
Bombay	sun	32
Brussels	cloudy	7
Budapest	cloudy	10
C.hagen	cloudy	-1
Cairo	sun	18
Cape Town	sun	26
Caracas	cloudy	26
Cardiff	rain	7
Chicago	fair	-4
Cologne	cloudy	7
D' Salaam	fair	30
Dakar	fair	24
Dallas	rain	15
Delhi	sun	22
Dubai	fair	23
Dublin	rain	7
Dubrovnik	shower	15
Edinburgh	rain	4
Faro	shower	13
Frankfurt	cloudy	7
Geneva	rain	3
Gibraltar	shower	14
Glasgow	rain	5
Hamburg	cloudy	2
Helsinki	fair	-13
Hong Kong	cloudy	22
Honolulu	fair	26
Istanbul	fair	12
Jersey	shower	7
Karachi	sun	25
Kuwait	sun	20
L. Angeles	fair	16
Las Palmas	fair	19
Lima	cloudy	28
Lisbon	shower	9
London	shower	7
Lux.bourg	cloudy	4
Lyon	rain	3
Madeira	shower	16
Madrid	cloudy	6
Majorca	cloudy	11
Malta	fair	16
Manchester	windy	8
Manila	cloudy	31
Melbourne	shower	28
Mexico City	fair	21
Miami	fair	25
Milan	rain	5
Montreal	sun	-12
Moscow	snow	-9
Munich	fair	8
Nairobi	fair	28
Naples	cloudy	14
Nassau	cloudy	28
New York	snow	1
Nice	rain	11
Nicosia	fair	15
Oslo	cloudy	-7
Paris	cloudy	7
Perth	fair	32
Prague	cloudy	4
Rangoon	fair	34
Reykjavik	snow	1
Rio	fair	28
Riyadh	fair	20
Rome	thund	15
S. Frsco	fair	14
Seoul	fair	5
Singapore	cloudy	31
Stockholm	cloudy	-9
Strasbourg	cloudy	7
Sydney	cloudy	30
Tangier	shower	12
Tel Aviv	sun	17
Tokyo	fair	9
Toronto	sun	-11
Tunis	fair	18
Vancouver	fair	6
Venice	cloudy	7
Vienna	cloudy	9
Warsaw	cloudy	-2
Washington	snow	6
Wellington	fair	20
Winnipeg	snow	-20
Zurich	rain	4

RECRUITMENT

JOBS: Compared with the strides made by medicine, training and selection methods have scarcely stirred

Cop-out [redacted] blow-up, the saga ends

Week by week the mystery mounted as the hooded killer struck again and again. Most mystified of all were the masked murderer's two prime targets in the old Eagle comic's serial story, though they were finally saved when he accidentally topped himself instead. The saga closed as the heroes unmasked him, revealing a face they had never [redacted] before. "But who is he, why did he want to kill us?" gasped one. To which [redacted] other replied: "We shall never know."

Of th[redacted] countless [redacted] there [redacted] story, that example always struck me as the [redacted] cop-out... Until now, when the task [redacted] winding up my 21 years of writing Jobs columns has made me see that the Eagle's ending is the best in the book. For I fear that my only [redacted] to copping [redacted] in [redacted] words that follow, is going [redacted] up.

The reason is that I cannot look back on much progress towards solving the problem which [redacted] been this column's central concern. It [redacted] how [redacted] that society's most important jobs [redacted] filled with the people [redacted] them.

That [redacted] not to [redacted] there [redacted] been [redacted] solutions. On the contrary, they have [redacted] winging in [redacted] and fast. The [redacted] is that, [redacted] judge by their [redacted] British [redacted] rate, they don't work.

Indeed, compared [redacted] made by [redacted] in [redacted] my [redacted] lifetime, our [redacted] at equipping [redacted] selecting people for the workplace have hardly stirred. But that hasn't prodded either governments [redacted] managements [redacted] seek different techniques, as [redacted] to importing essentially similar but more elaborate [redacted] in [redacted] hope of patching [redacted] the glaring deficiencies of those already in use.

[redacted] daftest case of such symptom-treating that I've seen happen in Britain is to my mind the one that will prove most damaging as well. It began with the big expansion of higher education in the 1960s, which has been made to look small by the further expansions [redacted].

Even [redacted] the outset, however, nobody bothered [redacted] work out how [redacted] increase was to be paid for. The expansionists just [redacted] that, besides making the country more civilised culturally, the injection of [redacted] graduates into [redacted] workforce would somehow generate [redacted] prosperity [redacted].

So political panjandrums [redacted] establishment spokesmen [redacted] on employers [redacted] restrict their recruiting for [redacted] better-paid [redacted] opportunities [redacted] people with degrees. The employers, after first responding slowly, have [redacted] so with growing [redacted] ever [redacted].

Although thousands of graduates have been left unemployed by the latest [redacted], it has nevertheless boosted their average chances of finding worthwhile work in preference to young people without degrees. The only real change is that, [redacted] of just screening out any applicants lacking graduate status, employers now further [redacted] out many who possess it by the use of psychometric-type [redacted].

Meanwhile, [redacted] course, [redacted] long promised boosts in productivity [redacted] civilisation remain [redacted] noticeable by their [redacted] – [redacted] I reported three [redacted] – [redacted] Dr Derek North, who works for Britain's official employment service, [redacted] come up with evidence not merely that [redacted] qualifications such as degrees are poor predictors [redacted] job-performance, but also that using them to screen out applicants [redacted] illegal under [redacted] race-equality [redacted].

Yet [redacted] further irony lies in other [redacted] by [redacted] University College, Swansea, which [redacted] that the psychometric testing imported [redacted] patch [redacted] likewise [redacted] the [redacted]. [redacted], which I [redacted] reported three [redacted] back, [redacted] in the criteria by which [redacted] recruitment [redacted] are "validated" or, in lay terms, judged [redacted] be reliable predictors [redacted] success in the type of job for which the recruiting is being done. And since the issue is at least as important as any other I've [redacted] arise these past [redacted] decades, I'm [redacted] to [redacted] more about it albeit [redacted] the expense of adding more to some [redacted] doubt already heavy feeling of *déjà* [redacted].

If [redacted] is [redacted] be reliably predictive, by the principles [redacted] Britain's equality laws [redacted] least, the criteria by which it [redacted] candidates [redacted] be clearly linked with objective [redacted] of good performance in the work concerned. Examples include value of orders in selling, and [redacted] output in certain production jobs.

The snag is that, in most other types [redacted] work, comparably objective [redacted] of achievement rarely if [redacted] exist. [redacted] bulk of [redacted] on more subjective criteria, the [redacted] popular being ratings of employees' performance by their [redacted].

[redacted] puts the number [redacted] dependent [redacted] 60 and 80 per cent of the total in use. But [redacted] for many of them by showing that bosses' ratings of [redacted] staff, in particular, are typically influenced by personal prejudices and political expedients which have no bearing on the abilities actually needed to do productive work. In which case, it must be doubtful that such [redacted] would [redacted] challenge under [redacted] equality law.

So what – apart [redacted] prematurely joining me in depressed impending retirement – can the hard-pressed recruiters [redacted]

Well, for one thing, they might look around for psychometric measures which, [redacted] bereft of links with objective performance criteria, at least avoid the pitfall [redacted] being validated on bosses' ratings [redacted] their staff. [redacted] the happier innovations [redacted] the notion of "internal customers": [redacted] people within [redacted] same outfit who really know [redacted] difference between good and [redacted] service from [redacted] particular employee. An example [redacted] newspaper sub-editors who have to [redacted] with [redacted] outpourings of writers [redacted] me.

While I'm [redacted] there [redacted] most a very [redacted] handful of [redacted] ratings [redacted] yet, it would surely [redacted] worthwhile [redacted] development [redacted]. And [redacted] of you readers [redacted] admirably placed to do the necessary encouraging, I beg you to do your best to advance the [redacted].

Unfortunately, the more deeply entrenched stumbling block of over-expanded [redacted] education will take much greater effort [redacted] cut down to size. One sign of hope, for Britain anyway, is the government's decision that intakes [redacted] degree students must be cut by 3.5 per cent for 1994-95.

But since [redacted] of the necessary [redacted] are radical – including a shift [redacted] emphasis back [redacted] apprenticeship-type training from classroom teaching – I doubt that they will readily [redacted] taken by politicians who go around mouthing slogans about "back [redacted] basics" in the existing schools.

Even [redacted] my final wish [redacted] the FT's jobs columnist is that at least some of you will help [redacted] mere sloganisers to think a [redacted] instead. One way is by taking [redacted] the cudgels whenever you hear anyone implying [redacted] such [redacted] that [redacted] adequate stock of appropriate work-skills can [redacted] achieved by having more youngsters [redacted] academic exams.

Which said, although it may be judged more cop-out than blow-up, like [redacted] old Eagle's pair of heroes, I shall mercifully [redacted] know. Either way, as long as I live I'll be grateful [redacted] you for reading [redacted] as well [redacted] for your many letters wishing me godspeed. Farewell.

Michael Dixon

TOP OPPORTUNITIES

SENIOR POSITIONS IN GENERAL MANAGEMENT

Group Company Secretary

Uxbridge Based

Competitive Salary + Bonus + Car + Excellent Benefits

The European Head Office of this Australian multi-national corporation has recently consolidated its group offices to Uxbridge, creating the need for a Group Company Secretary.

We [redacted] seeking a talented professional who will feel at [redacted] operating [redacted] the different business cultures within our group. Responsibilities include company secretarial functions and management of pension funds.

Additionally, however, the successful candidate will be required to manage the Group Property Portfolio [redacted] the UK and Europe, advise [redacted] all legal matters and play [redacted] key role in a team with a strong European focus.

You should have a legal and company secretarial background and be computer literate. Your communication skills will be excellent, in line with a position reporting directly at Board Level.

Please forward your [redacted] and remuneration details in writing to:

Mr. D.P. Cuthbert, Group Manager
Personnel [redacted] Corporate Affairs
Mayne [redacted] Europe plc, 1 Brook Business Centre
Cowley Mill Road, Uxbridge, [redacted] UB8 2FX

MAYNE NICKLESS EUROPE plc

EUROPEAN PRODUCT MARKETING

GLOBAL FINANCIAL MARKETS

City of London **to £45,000 plus bonus**

[redacted] is an outstanding opportunity to develop your career in European Product Marketing using your skills in:
● Product Support ■ Product Development Management ■ Systems/Software Management.
Alternatively, you may [redacted] a Product Manager today and be seeking an opportunity [redacted] develop in one [redacted] the premier suppliers [redacted] real-time [redacted] and market making [redacted] services.

As a subsidiary of a US Fortune 500 company, our client delivers information, decision support services and applications to the global financial community. With direct operations in the major European capitals and partnerships with independent companies elsewhere in Europe, the Middle East and Africa [redacted] 1993 was a year of fundamental progress and achievement for the company. Recognising that marketing is the key driver [redacted] the business, [redacted] seeking to appoint a European Product Manager to take responsibility for:

- Positioning, marketing plans and launches for digital datafeed products in Europe.
- Training education and support for sales, external companies, technical and client support teams.
- Liaison with Research and Development and Product Managers [redacted] the US and Asia.
- Close cooperation with other teams within the European Marketing Group.

In order to be successful in this role, individuals must have:

- In-depth experience of Unix.
- Experience of working within a front-office trading environment
- Knowledge of real-time data transmission.
- Strong inter-personal skills and familiarity with US corporate culture.

Contact Gail Caddy on 071 222 7766 or write quoting reference GC1162 to:
Ogilvie [redacted] Associates Limited, Buckingham Court, 78 Buckingham Gate, London SW1E 6PE. Facsimile number 071 233 0603.

OGILVIE

TEC NATIONAL COUNCIL

DIRECTOR

OF POLICY & STRATEGY

c £55K ▪ Central London

[redacted] leading independent [redacted] body of [redacted] kind, [redacted] National Council's mission [redacted] clear: [redacted] encourage economic development through [redacted] training [redacted] enterprise and [redacted] promote [redacted] as a key element in assuring the future prosperity of [redacted] UK.

In this senior co-ordinating role, you will [redacted] advice [redacted] Council [redacted] Groups into a single coherent policy. Reporting directly to the Chairman, you will accompany him at regular [redacted] key [redacted] within partner organisations. At all [redacted], you will need to stay in [redacted] with [redacted] latest and most [redacted] – primarily by retaining [redacted] with [redacted] appropriate Government departments.

Already you should have recent [redacted] comprehensive practical experience of one or more TECs, [redacted] a full understanding [redacted] their trading operation [redacted] relevant policy developments in training, education [redacted] enterprise [redacted] Certainly you should be [redacted] with the organisation [redacted] the people [redacted] the Employment Department, sections of the DTI and DfE, the DoE and the Home Office. [redacted] all, [redacted] must have [redacted] authority [redacted] the expertise [redacted] win the respect and co-operation [redacted] TEC [redacted] and a broad cross-section [redacted] businessmen [redacted] – and [redacted] enable the TEC [redacted] Council to [redacted] its [redacted]

In return, we offer a competitive salary, a fully expensed company car, and a comprehensive [redacted] package.

In the first instance, please write with comprehensive CV to: Nigel Chilcott, Head [redacted] TEC Secretariat, [redacted] Floor, [redacted] Tower, 3 Albert Embankment, London SE1 7SP or fax 071 735 0090 to arrive no [redacted] February 18th.

The TEC National Council is committed to Equal Opportunities

TRAINING · TEC · ENTERPRISE · TEC · COUNCILS · TEC · TEC ·

THE TOP OPPORTUNITIES SECTION

Advertise your senior management positions to Europe's business readership.

For information please contact:

[redacted]
on
071 [redacted] 3779

Philip Wrigley
[redacted]
071 873 3351

FRONT-END DEALING/RISK MANAGEMENT

BUSINESS ANALYSTS

Based Surrey

[redacted] removes all remaining barriers between Front and Back Office banking.

This fully integrated Dealing [redacted] package brings together market data, decision support and risk management – all at the dealer's fingertips. And it further enhances [redacted] reputation as *the* supplier [redacted] solutions to the international financial community.

On the career front, our Dealing Room success [redacted] now created a unique opportunity for banking professionals – with experience of using front-office systems – to join us in a Business Analysis role.

In general terms, you'll act as an interface between our customers and our in-house development specialists – preparing [redacted] specifications for TRANSACT products.

To help you achieve this, you will be given some [redacted] technical training on our product range. But what we expect of you is an in-depth knowledge of dealing instruments – including [redacted] products and/or securities – gained from at least [redacted] years' business - based experience of a front-office dealing environment.

Communicative and [redacted] to [redacted] your personal credibility quickly, you should be well-informed about trading practices and prepared for possible overseas travel.

To find out [redacted] about these positions – [redacted] salary and [redacted] package they command – please send your CV, in complete confidence, to John Bedford at Internet, Hollywood House, Church [redacted] Woking, Surrey GU21 1HJ. Telephone: (0483) [redacted] Facsimile: (0483) 740412.

INTERNET

BANKING FINANCE & GENERAL APPOINTMENTS

CJA RECRUITMENT CONSULTANTS GROUP
2 London Wall Buildings, London Wall, London EC2M 5PP
Tel: 071-588 3588 or 071-588 3576
Fax: 071-256 8501

A challenging appointment to establish a London Representative Office for a leading name

CJA

REPRESENTATIVE
COMMERCIAL PROPERTY FINANCE

CITY **£55,000-£65,000 + BONUS + CAR**

MAJOR EUROPEAN MORTGAGE BANK

Our client [redacted] an [redacted] presence in the UK commercial property finance market and-will open a London representative [redacted] in [redacted] near future as a key step in its long [redacted] plans. The Bank's approach [redacted] lending [redacted] cautious and detailed. We invite applications from [redacted] aged [redacted] with 5-10 years' experience [redacted] a proven track record in long term investment property lending in an organisation respected for [redacted] expertise in [redacted] assesment. The successful applicant will bring a strong network of contacts in [redacted] UK property industry, will be willing to take decisions and must have strong negotiating and management skills. Initial remuneration [redacted] negotiable £55,000-£65,000 + bonus + car.
Applications in strict confidence under reference RCP4944/FT to the Managing Director, CJA.

MAJOR EUROPEAN BANK WITH GLOBAL PRESENCE

Our client's business in London is expanding rapidly. These two new positions are exceptional opportunities [redacted] take management responsibility and [redacted] review and implement new systems and procedures in these [redacted]. We [redacted] ambitious Managers with the vision and flair to grow [redacted] activities and grasp future opportunities.

MANAGERS - OPERATIONS

CJA

CORPORATE BANKING

CITY **£38,000-£42,000 + CAR, BONUS**

Applicants must have 5-8 years' experience, including both [redacted] administration and documentary credits, with [redacted] minimum [redacted] 3 years' management experience. An understanding of FX/MM settlements, [redacted] payments/customer service banking business [redacted] PC/mainframe loans packages and strong PC skills [redacted] essential. Trade finance experience will be useful. **Ref:MCB4942/FT**

CJA

EMERGING MARKETS SETTLEMENTS

CITY **£38,000-£42,000 + CAR, BONUS**

[redacted] a minimum of [redacted] years' operations experience, with specific experience in the settlement of securities and equities, gained in a major London institution, 3 years' of which will have [redacted] as [redacted] Manager. A broad product knowledge [redacted] strong PC skills/knowledge [redacted] securities processing and control systems are essential. Emerging [redacted] settlement experience is not essential.
Ref:MEM4943/FT
Applications in strict confidence quoting appropriate reference to the Managing Director, CJA

Fund Manager

UK Equities

Our client, a major London-based investment management company, has an opening for a fund manager in its UK Equities department which currently manages assets [redacted] over [redacted] billion. The primary responsibilities will be to run [redacted] sizeable portfolios and to contribute to the department's significant in-house research capability by [redacted] in-depth coverage [redacted] a number of UK market [redacted]

Candidates, probably in their [redacted] twenties/early thirties, should possess a good [redacted] record, well developed communication skills and a team-[redacted] approach. They [redacted] already gained at least 5 years' experience in the analysis and management of [redacted] equities and should be [redacted] demonstrate a [redacted] performance [redacted]

In [redacted] a competitive salary and benefits package [redacted] position offers excellent career development [redacted] and the opportunity [redacted] in a [redacted] and friendly atmosphere in a company well positioned [redacted] future growth.

To apply, please write in confidence to: I M R Recruitment Consultants, No.1 Northumberland Avenue, Trafalgar Square, London WC2N [redacted] (tel. 071 872 5447).

I M R

INVESTMENT MANAGEMENT RESOURCES

Equity Analyst

Norwich Union Investment Management [redacted] funds in [redacted] of [redacted] billion and seeks [redacted] investment analyst [redacted] join [redacted] team responsible for the UK equity portfolios.

The small [redacted] of equity analysts operate alongside the fund managers seeking to identify those investments to which the funds under management should have a significant exposure. The [redacted] is built [redacted] providing fundamental, in depth and often original research. The approach [redacted] fundamentalist, building [redacted] our [redacted] in-house methodologies.

Educated to Degree [redacted] equivalent standard, you will have spent a minimum of two years in the financial arena and [redacted] now looking [redacted] challenge of a close involvement in a small [redacted] where you can make an immediate and recognisable contribution.

[redacted] analytical skills are important but an enquiring, thoughtful and analytical mind [redacted] essential.

Good communication and interpersonal skills are crucial. You will [redacted] a high degree of self-motivation.

The successful candidate will enjoy a fully competitive remuneration package. Comprehensive relocation assistance is available where appropriate.

Norwich Union is an Equal Opportunities employer and welcomes applications from registered disabled persons.

[redacted] a full c.v. to:
John Mundey
Divisional Personnel Manager (Finance)
Norwich Union Investment Management Limited
[redacted] Box 150, Sentinel House
37 Surrey Street, Norwich NR1 [redacted]
or ring John for [redacted] informal discussion on (0603) [redacted]

NORWICH UNION

Nordic Region

Marketing

Bank of America, one of the world's largest and most successful international banks, is recruiting a Relationship Officer in London [redacted] support the Senior Origination Officer for the Nordic [redacted]

The [redacted] candidate will [redacted] management, treasury/cash management, structured [redacted] and capital markets products to [redacted] in this geographic area, involving [redacted] need for frequent travel.

Applicants should [redacted] MBA calibre, with formal credit training and a minimum of 5 years marketing experience within the Nordic area. Broad product knowledge, and a successful track record in working on high value [redacted] for [redacted] in this [redacted] are [redacted] Fluency in [redacted] is required, and knowledge [redacted] other Nordic languages would [redacted] an advantage.

An [redacted] salary [redacted] bonus potential will be augmented by a range [redacted] fringe [redacted] in line with best banking practice.

Write in strictest confidence with full personal [redacted] and salary [redacted] Beverley M Fleet, Personnel Officer, [redacted] America NT [redacted] SA, 1 [redacted] Street, London E1 8DE.

Bank [redacted] America is an equal opportunities employer.

Bank of America

DISTRESSED DEBT RESEARCH

Bankers Trust Company

Bankers Trust is [redacted] leading force in the sales and trading of distressed debt. Operating within its Debt Finance division, the team analyses, sources, trades and structures deals throughout Europe. They have [redacted] very successful track record and a high profile within the bank, and [redacted] looking [redacted] expand their activities in 1994.

Head of Research

The position requires a dedicated analyst [redacted] liaise with the credit/corporate finance research group, [redacted] tailor [redacted] specific research product on distressed debt, and [redacted] contribute innovative, value-added ideas [redacted] the sales and trading effort.

Interested applicants will most likely have a strong analytical background combined with experience of secondary debt/equity markets (for example, Stockbroking research).

The successful candidate will be [redacted] 26-35, [redacted] will [redacted] strong [redacted] background possibly supported by an MBA [redacted] Accountancy qualification. He/She will be [redacted] strong communicator, imaginative and enthusiastic, and will thrive working under [redacted]

This represents [redacted] excellent opportunity [redacted] build [redacted] in a major investment bank, and offers a very attractive remuneration package.

To discuss this further, in strictest confidence, please call **Christopher Lawless** or **Stuart Clifford** on 071 379 1100.

Applicants should send their detailed CV's to,
The Bloomsbury Group,
(Search and Selection Consultants),
[redacted] Floor,
[redacted] Chambers,
Covent Garden,
[redacted]
Fax No. 071 240 6382.

THE BLOOMSBURY GROUP

CJA

RECRUITMENT CONSULTANTS GROUP
[redacted] London Wall Buildings, London Wall, London EC2M 5PP
Tel: 071-588 [redacted] or 071-588 3576
[redacted] 071-256 850[redacted]

New appointments generated by further developments in this major institution

CJRA RISK MANAGER - CAPITAL MARKETS

CITY

We invite applications from [redacted] with a minimum [redacted] 5-7 years' [redacted] management related experience gained within [redacted] house environment. This will include [redacted] and [redacted] derivatives and [redacted] income products. As [redacted] selected [redacted] you will have a small team reporting to you and [redacted] will be responsible for monitoring profitabilty and reconciling discrepancies with management [redacted] attributes [redacted] a thorough understanding of appropriate derivative products/debt instruments and [redacted] inherent [redacted] involved as well [redacted] having experience in the development and [redacted] PC [redacted] monitoring systems, accounting and [redacted] procedures. Ref:RM25232/FT.

CJRA CREDIT OFFICER

CITY

This [redacted] client [redacted] requires [redacted] Credit [redacted] with [redacted] years' financial markets credit experience, [redacted] report [redacted] Risk Manager (above) to [redacted] in all aspects [redacted] process, [redacted] particular emphasis [redacted] investigations, checking and compiling credit reports, [redacted] well as applying [redacted] and instituting credit [redacted] monitoring position limits. Ref: CP25233/FT.

CJRA ASSISTANT TREASURER

CITY

This client wishes to recruit an individual, possibly a part qualified accountant, [redacted] years' experience to work closely with [redacted] assist [redacted] Treasurer, dealing [redacted] liquidity management, [redacted] and deposits, foreign exchange [redacted] money markets. Particular emphasis will [redacted] accounting and systems development. [redacted] AT25234/FT.

For all these appointments our [redacted] will negotiate suitably [redacted] salaries and financial sector [redacted]

Applications in strict confidence by [redacted] February, quoting appropriate reference will be forwarded unopened to our client unless you list companies to which they [redacted] be [redacted] in a covering letter [redacted] the [redacted] of the Security [redacted] CJRA

Germany

A Disciplined Approach in Global Asset Management

Commerz International Capital Management GmbH (CICM) is a wholly-owned subsidiary of Commerzbank AG, one of Germany's leading banks. Commerzbank's asset management group ranks among the top thirty-five asset managers in Europe and has more than US $40 bn. assets under management. As part of Commerzbank's increased focus on the globalization of asset management CICM managed to achieve growth of assets under management in 1993 of close to 50% in US dollar terms. This also reflects the success of our highly team-driven and disciplined decision-making process in combination with the extensive use of quantitative management techniques.

In view of expected continued expansion worldwide, CICM intends to expand its team of dedicated professionals with global horizons. In this context we are looking for a ...

Senior Portfolio Manager

Multi-currency fixed income portfolio management

Qualifications required:

- University graduate
- Minimum of five years' experience in international fixed income portfolio management
- Knowledgeable in quantitative portfolio management techniques

Career prospects include position as head of fixed income portfolio management.

Portfolio Manager

Multi-currency fixed income portfolio management

Qualifications required:

- Minimum of three years' experience in dealing with international bond markets, preferably as portfolio manager or related activities.
- Relevant university degree and knowledge of quantitative portfolio management techniques is an advantage

Junior Portfolio Manager

Currencies

Qualifications required:

- Experience in international currency markets and relevant analytical tools

Working in Frankfurt am Main

All positions are based in Frankfurt. CICM and Commerzbank are prepared to provide [redacted] in connection with the move to Germany. The existing team is young and multi-national, and English is on a par with German as the official office language.

If your perspectives include a career beyond traditional borders, please write to Commerz International Capital Management GmbH, Attn. Mr. Helmut Lindenau, Kettenhofweg 22, D-60325 Frankfurt am Main. Alternatively, initial contact may be made by telephone (071-418 4700) with Mr. Rick van Weelden, who will be in the London Branch of Commerzbank AG between 10:00 am and 3:00 pm on February 2nd, 3rd and 4th.

COMMERZ INTERNATIONAL CAPITAL MANAGEMENT

Private Client and Institutional Stockbroking

SFA Compliance Officer

Our client [redacted] leading regional firm with a significant London presence. Their business encompasses corporate finance; stockbroking for both institutional and private clients; and investment management. The business is expanding throughout the UK. They [redacted] wish to recruit [redacted] Compliance Officer who will probably be based [redacted] the head office and be responsible for compliance throughout the [redacted] and [redacted] subsidiaries.

Reporting [redacted] Holding Company Director this challenging role will include working closely with senior management, maintaining close links with regulatory bodies, developing and documenting compliance procedures and ensuring that rules and regulations continue [redacted] be practically implemented throughout the firm. Prospects for progression to a [redacted] appointment are excellent.

The position will be of particular interest [redacted] individuals of graduate calibre with [redacted] professional qualification. Candidates must have [redacted] least 3-5 years compliance experience, within a SFA regulated environment. A good working knowledge of SFA rules and regulations, in particular conduct of business, [redacted] essential. Other key [redacted] include client money protection and capital adequacy.

Candidates must have the personal qualities of authority, diplomacy, tact and strength of character. The willing[redacted] to relocate if necessary would be helpful.

Interested applicants should [redacted] Anna [redacted] 071 831 2000 or write [redacted] her include a full curriculum vitae including details of their [redacted] salary package to Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH.

Michael Page City
International Recruitment Consultants
London Paris Amsterdam Dusseldorf Sydney

Head of Tax Based Finance

A new challenge in a new structure

City **£90,000 + Substantial Banking Benefits**

Our client [redacted] established UK Financial Institution which [redacted] leading the sector in [redacted] period of dynamic change. The Group is re-evaluating and enhancing the service it provides to its customer base [redacted] objective of becoming the principal provider of a wide [redacted] products and services.

Corporate Banking is key [redacted] this strategy. [redacted] continuing investment in high quality specialist [redacted] and leading edge technology, the results [redacted] developing existing customers and attracting new [redacted] in a fiercely competitive market, have been outstanding.

Within this successful environment, [redacted] new opportunity exists for an individual whose responsibilities will include:

- Setting up, leading and growing a new business area, including the development of a highly focused team.
- Solving client [redacted] problems through novel financing products.
- Developing and providing structural tax solutions to transaction-based problems.
- Operating [redacted] key integral member within [redacted] profit driven team environment.

The successful candidate will have a demonstrable track record in initiating, marketing and completing transactions. You will be intellectually strong, with a creative, tax technical approach to transaction-driven work.

This is an outstanding opportunity for [redacted] individual who will relish the challenge of creating and leading a new business within a quality, highly motivated [redacted]

The potential for personal growth and achievement is outstanding given the investment, [redacted] base, tax capacity and balance sheet capability within the bank.

Remuneration will be based on experience and ability. Future rewards will depend upon the ability [redacted] develop revenue and profitability and contribute to the overall [redacted] of the Structured Finance Division.

For further details please contact [redacted] Nelson, in confidence, at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH. Telephone: 071 [redacted] 2000. [redacted] evenings and weekends call 081 [redacted] 6191.

Michael Page City
International Recruitment Consultants
London Paris [redacted] Dusseldorf Sydney

MONEY BROKERS

Tullett [redacted] Tokyo Forex International Limited require fluent Japanese/English speaking Money Brokers, for [redacted] Forward Foreign Exchange, Euro Dollars and Capital Market Departments. Applicants must be experienced in Money Broking and be fluent in both Japanese and English.

An excellent salary and benefits package will be provided.

Please apply in writing enclosing a full C.V. [redacted]
Leslie J. Brock, Personnel Director,
Tullett [redacted] Tokyo Forex International Limited,
Cable House, 54-62, New Bond Street, London EC2M 1JJ

MANAGEMENT TRAINEE

High profile & dynamic co. seek an individual, 24-30, to be trained up to run a successful business. Will suit those looking for a career with responsibility and earnings commensurate with that position. Call: Paul Clarke 071-497 3005

FLUENT IN GERMAN OR FRENCH?

Graduates with fluent German or French mother tongue are required to train as money brokers. Applicants should be highly numerate and have an outgoing personality. Age c. 25. Write to: Box B2252, Financial Times, One Southwark Bridge, London SE1 9HL.

TREASURY ANALYST

Lotus.

£25-30,000 + Benefits

Staines Middlesex

Lotus Development is one of the world's most successful and innovative organisations. Its products range from '1-2-3', launched in 1983, to 'Notes' (which created the revolutionary Groupware concept).

European growth has resulted in the need for a Treasury Analyst, capable of assuming a key role in a changing environment. Initial responsibilities will be to:-

- Monitor and analyse daily currency flows
- Assist in development and maintenance of short and long- term cash flow forecasts.
- Operate Europewide cash reporting and money transfer systems.
- Maintain effective banking relationships

The successful candidate for the role will have 3-5 years' experience in either a major clearing bank or a corporate treasury function. He or she must be able to demonstrate the ability to meet deadlines, manage several projects simultaneously and contribute to the development of the European Treasury Department. Candidates are likely to be of graduate calibre and/or qualified or studying for a professional qualification.

Please apply directly with CV to, Gerard Davies at Robert Half, Princess Beatrice House, Victoria Street, Windsor, Berks SL4 1EH. Telephone: 0753 857777 24 hours. Fax 0753 841676.

As retained consultants, any CV's submitted directly to our client will be forwarded to Robert Half.

ROBERT HALF
THE HUMAN FACTOR

INTERNATIONAL FIXED INCOME SALES

LONDON

Negotiable Package

Sanpaolo Bank is the premier Italian Bank and occupies a position of undisputed leadership in the Italian Lira fixed income markets. From its capital markets [illegible] in Turin, London, New York and Tokyo Sanpaolo [illegible] provides a comprehensive service to its global client base. The largest bank in Italy, Sanpaolo is ranked the number one Eurolira house, the leading Lira swap market maker and is one of the largest and most sophisticated operators in the Italian Lira [illegible] Government bond markets. Its capabilities in the option and futures markets are also highly regarded. As part of its commitment to maintain its leading position, the Bank [illegible] to appoint an additional [illegible] income sales person to work in its [illegible] strong dealing [illegible] in the City of London.

Responses are invited from candidates who have a minimum of 3 - 4 years experience in a fixed income sales position, where a thorough knowledge of both cash and derivative instruments has been gained. Candidates should enjoy working in a team environment and should have a proven track record of successful client development and service. While not essential, fluency in additional foreign languages will be an advantage.

This is an unusual [illegible] opportunity to join a highly professional and well regarded [illegible].

Interested applicants should send a full CV to The Head of Personnel, Sanpaolo Bank, Wren House, 15 Carter Lane, London EC4V 5SP.

SANPAOLO BANK

ISTITUTO BANCARIO SAN PAOLO DI TORINO SPA

Williams de Broë

BOND SALES

Williams de Broë is a successful agency broker in U.K. and overseas bond markets. We now wish to recruit certain key individuals to further strengthen our existing team.

We are looking for an experienced Gilt salesperson with an established client base. This individual would be joining one of the leading Gilt desks in the City, which benefits from highly regarded U.K. research and an acknowledged dealing expertise.

In overseas markets, where we have expanded rapidly over the last two years, we are interested in applicants at all levels of experience. Successful candidates will have the confidence and ability to provide the first class level of service demanded by our institutional clients, a high degree of flexibility, and a willingness to work hard as a member of a small enthusiastic team.

Please apply to:
David Ackroyd,
Williams de Broë Plc, P.O. Box 515
6 Broadgate, London EC2M 2RP

Global Custody Operations

Financial Controller

United Arab Emirates — **Excellent Expatriate Package**

Our client is [illegible] prominent [illegible] institutions in the Middle East. As part of its continuing expansion, the company is seeking to appoint an Assistant Financial Controller to work within its finance division to assume responsibility for its global custody operations.

Probably [illegible] in their early-thirties to early-forties, preferred candidates will be graduates with at least three years' experience in international banks or trust companies engaged in custody related operations. Candidates will be expected to work closely with other sections and departments of the company.

Candidates should possess excellent interpersonal, communications and presentation [illegible] be PC literate, strongly numerate and fluent in English. Associate membership to the Institute of [illegible] or an equivalent professional qualification will be a prerequisite.

Key responsibilities will [illegible]

- review and [illegible] of [illegible]
- negotiation of custody agreements
- [illegible] of documentation under secure [illegible]
- efficient data capture
- reconciliation of custodian data against the accounting [illegible]
- checking and approval of custody fees
- optimal use of added value custody services
- ongoing monitoring of custody costs

The company offers an attractive expatriate compensation and benefits package including free housing, car and furniture allowances.

Please reply by letter or fax with a current CV and salary details to Andrew Peck at:

THE RICHMOND PARTNERSHIP
Garrard House, 31-45 Gresham Street, London EC2V 7DN
Telephone: 071-796 4154. Facsimile: 071-796 4255

INTERNATIONAL EQUITY SALES - ARGENTINA

BANCO PRIVADO

Banco Privado de Inversiones, a leading Argentine investment banking and [illegible] management group, is seeking an experienced equity sales person, to join its team covering Institutional Investors in the United Kingdom and North America.

The ideal applicant will have a minimum three years experience with a major brokerage house dealing in equities, preferably those of Latin American and/or Emerging Markets. Candidates must have the skills and knowledge required to interpret macroeconomic and company research, and the ability to impart that information in a clear and concise way to clients.

Candidates must be prepared to spend two to three years in Argentina. Fluency in Spanish is desired but not necessary. A good honours degree is required.

An attractive remuneration package will be offered to the right person. If you satisfy these requirements, please send your CV, in confidence to:

David Williams, Director
Emerging Markets Search and Selection
2/9 Masons Avenue, London EC2V 5BT
A Division of Global Markets Recruitment Ltd
Tel: 071 600 4744 Fax: 071 [illegible]

Opportunities in Bermuda

The Bank of Bermuda Limited is a $6 billion, 100-year-old financial institution headquartered in Bermuda with offices in Hong Kong, Singapore, Luxembourg, the Isle of Man, Guernsey, London, New York, and the Cayman Islands. We have an immediate opening for a career-oriented financial professional in our expanding Shareholder Services Division.

Corporate Trust

Shareholder Services Officer

The Shareholder Services Department is currently seeking an Officer to coordinate and motivate a team of administrators directly servicing a portfolio of mutual funds, pension plans, contribution schemes and operating companies. Responsibilities include serving as Management Registrar and Transfer Agent for a portfolio of companies; developing a strong service relationship with company sponsors and investors; and overseeing training and team-building. A Bachelor's degree or higher and 7+ years' financial experience are required. In-depth knowledge of mutual funds or pensions, computer literacy and strong verbal and written communication skills are essential.

The Bank is an equal opportunity employer and offers a most competitive salary and comprehensive benefits package.

We invite interested applicants to contact Crystal Clay at (809) 299-5943 or submit a detailed resume, marked for her attention, to The Bank of Bermuda Limited, 6 Front Street, Hamilton, HMDX, Bermuda or fax it to (809) 292-4423. Please quote Ref. No. 3470. Closing date: February 18, 1994.

THE BANK OF BERMUDA LIMITED

[illegible] a world of opportunity.

More people choose us because we work harder to get it right

COMPLIANCE MANAGER

Halifax — **Competitive salary + car + [illegible]**

The Halifax is the world's No. 1 building society, taking care of the investments, mortgages and family finances of millions of people. It's an achievement which owes much to our dedication and professionalism, and our continued expansion into the financial services area must reflect the same commitment.

In helping us to meet all Financial Services Act regulations in full, you will undertake the duties and responsibilities of compliance on behalf of subsidiary companies acting as unit trust managers and fund managers (probably to be regulated by LAUTRO and IMRO). You will advise each business on aspects which affect their establishment and subsequent operation and expansion.

Formulating procedures, systems and guidance, you will also monitor management controls and work undertaken by third parties. In addition, you will need to ensure the Group Compliance Audit Programme is completed effectively, in relation to the unit trust and fund management subsidiaries, recommending and taking action where necessary to deal with incidents of non-compliance.

Probably a qualified Lawyer or Chartered Accountant, you should hold the Benchmark Examination of Investment Management Certificate (or an IMRO-approved exemption qualification), together with 3 years' fund management and 3 years' compliance experience at a similar level. You should also have the ability both to deal at Executive management level, and initiate improvements to practices.

In return, we offer an exceptional package which includes performance related pay, contributory pension scheme, private health insurance and mortgage at a concessionary rate. A relocation package is also available where necessary.

To apply, please write with your CV and quoting current salary details to: Assistant General Manager, Group Personnel (Ref HOP/CM), Halifax Building Society, Trinity Road, Halifax, West Yorkshire HX1 2RG.

Halifax is fully committed to equal opportunities for all.

HALIFAX

FINANCIAL FUTURES & CAPITAL MARKETS

Due to the increased activity. We have opportunities within leading institutions across the City. These currently include:-

Interest Rate Derivatives Trader	£70-90,000 + Bonus
Interest Rate Derivatives [illegible]	[illegible] + Bonus
Senior Futures Desk Broker	[illegible] + Bonus
Bond [illegible] UK & Europe	to [illegible] + [illegible]
Illiquids Trader	[illegible] + [illegible]
Financial Futures Broker to Europe	£60-70,000 + Bonus
Bond Analyst	£50-70,000 + [illegible]
Government Bond Trader	[illegible] + [illegible]
Derivatives Research	£Neg.

Please contact Philip Ashby-Rudd on 071-623 1266.

Jonathan Wren & Co. Limited Financial [illegible]
No. 1 New [illegible] EC2M 4TP Telephone [illegible] Facsimile [illegible]

[illegible] EXECUTIVE

MRC BUSINESS INFORMATION GROUP OIL DIVISION - NEW APPOINTMENT

Oxford based MRC has an international reputation for providing fast, informed, [illegible] analysis of companies and markets in the marine, oil and trading sectors.

[illegible] created a new position to lead our marketing to oil companies and develop our oil business and product range. You will work with our divisional director and team of specialist analysts.

MRC's oil division compiles credit reports on private and public oil traders, [illegible] producers; publishes [illegible] up to the minute market information. Clients worldwide include oil majors, banks and leading traders.

This is a challenging opportunity to build a career with a successful, exciting, [illegible] and professional company, which [illegible] in delegating responsibility and has no ceilings on personal development. MRC is an equal opportunities employer.

Please apply in confidence with CV and covering letter to: [illegible] Durpé, MRC Group, 5 Worcester Street, Oxford OX1 2BX

Japanese Investment Manager

Based in Sydney, Australia

Bankers Trust is not only Australia's leading investment bank; it is also one of the [illegible] respected funds management groups with over A$[illegible] billion under active management. This role represents an exceptional opportunity and may suit an Australian national who is ready to return to Australia permanently.

Drawing on your indepth experience in the Japanese market, your analysis of industries and companies will be applied to the management of the BT equity portfolio. You will be accountable for stock selection and contribute to country economic and equity market forecasts. Reporting to the head of the Japanese equity group, you will also interact with the whole of the international group in a strong team environment.

Your background will include at least 5 years' experience in company/industry analysis involving Japanese markets, probably gained in funds management. This will be supported by a sound knowledge of company [illegible] strong tertiary qualifications in an analytical discipline.

Joining BT's performance-focused team, you may anticipate excellent [illegible].

To make application for this excellent opportunity please forward your curriculum vitae with supporting documentation to: Jane Harris, [illegible] Recruitment Manager, Bankers Trust Australia Limited, PO Box H4, Australia Square, Sydney NSW 2000, Australia.

Bankers Trust Australia Limited

BOND SPECIALIST: TOP OPPORTUNITIES IN SALES/BROKING

Pro Capital is a specialist organization in the debt/security markets. We have the backing of a powerful AA-rated American institution.

We are looking for a few experienced and high calibre individuals to set up or expand one of the following areas:

- illiquid bonds and high yielding bonds
- emerging markets

openings also exist in other areas of the debt/security markets.

We can offer: outstanding performance based remuneration. Possibility to assume responsibility and autonomy for the right candidates.

Please send your resume or call confidentially: Oliver R. Froment, Managing Director, Pro Capital, CBC, 2 London Wall Buildings, London Wall, London, EC2M 5PP, tel: 071 [illegible] 4200, fax: 071 628 0870

NEWMAN COLLEGE

SENIOR ADMIN OFFICER

Salary Scale £30 - £33,000 per annum

Applications are invited for the post of Senior Administrative Officer and Clerk to the Governors at this Catholic College of Higher Education. Applicants should have financial and personnel management experience and be practising Catholics. The appointment will be from April or as soon as possible thereafter by negotiation. The vacancy arises due to a sudden retirement through ill health.

Further details may be obtained from the Principal's P.A. on 021 [illegible]

Applications to The Principal, Newman College, Genners Lane, Birmingham, B32 3NT. Closing date for applications: 21st February.

A UNIVERSITY SECTOR COLLEGE

MURRAY BEITH [redacted] MURRAY W.S.
Solicitors, Estate Agents and Financial Advisers

PRIVATE CLIENT INVESTMENT MANAGER
EDINBURGH

Murray Beith & Murray [redacted] a progressive firm of Scottish [redacted] in Edinburgh. It [redacted] one of the leading UK law firms in providing [redacted] comprehensive [redacted] 'in-house' [redacted] management [redacted] to its substantial [redacted] of private clients, including [redacted]

Due to a significant increase of funds under management, the firm [redacted] seeking to recruit [redacted] additional [redacted] manager [redacted] Investment Management Group. The job calls [redacted] a variety of skills [redacted] ideally candidates should have had at least [redacted] years' experience of private [redacted] investment management and [redacted] membership of the Securities Institute or other professional body. The ability to [redacted] effectively with clients [redacted] other group [redacted] essential [redacted] successful candidate will be expected to play [redacted] role in formulating [redacted]

This appointment [redacted] a competitive remuneration package, [redacted] experience, and challenging prospects in a leading professional firm [redacted] expanding its investment management business.

Applications in writing including a full Curriculum Vitae should [redacted] made to:- The Director of Staff and Administration,

Murray Beith [redacted] Murray W.S.,
[redacted] Castle Street, Edinburgh, EH2 3BH. Telephone : 031 225 1200.

CITY

SAMUEL MONTAGU
member HSBC group

£ EXCELLENT PACKAGE

MANAGER - INTERNATIONAL PROJECT ADVISORY UNIT

[redacted] Montagu [redacted] the UK and European merchant banking arm of the HSBC Investment Banking Group, which [redacted] responsible for the merchant banking, [redacted] management activities of HSBC Holdings plc, one of the largest and [redacted] strongly capitalised financial services organisations in the world.

The Project Advisory Unit offers advice to a broad range of governmental [redacted] corporate clients in areas such [redacted] privatisations and [redacted] infra-structure projects.

[redacted] outstanding opportunity now [redacted] within the Project Advisory Unit [redacted] banking professional who will be involved in the development and execution [redacted] Montagu's privatisation business in the European [redacted] and [redacted]

The successful candidate will:-

- have a minimum of 5 years relevant banking/international corporate [redacted] experience
- be fluent in at least 2 major European languages, including English
- possess the [redacted] commitment and drive [redacted] succeed within this [redacted] based environment

Applications are sought from those individuals who can demonstrate a truly international background. In return a [redacted] package [redacted] on offer and excellent career prospects.

For further information please contact **Stephen Grant** [redacted] **Robert Walters** [redacted] 071 379 3333 (confidential fax 071 915 8714), or write to him [redacted] Bedford Street, London WC2E 9HP.

ROBERT WALTERS ASSOCIATES

DERIVATIVES FUND MANAGER NEW HORIZONS

Sun Life Investment Management (SLIMS) is the fund management arm of the Sun Life Group. SLIMS' success is based on the growing reputation of its [redacted] track record.

To strengthen our global strategy function, we are looking for [redacted] dynamic individual with the know-how required to implement a derivatives function [redacted] Sun Life - and to ensure its continued development.

With prime responsibility for derivative-based asset allocation overlays, at least 2/3 years' hands-on derivatives experience, together with 6 years' financial sector experience is essential. As a key individual in the decision making process, you will combine proven analytical and research skills with a confident presentation style. A degree and [redacted] qualifications are pre-requisites.

We can offer a competitive salary and [redacted] package [redacted] with [redacted] large financial [redacted] group. If you [redacted] interested, [redacted] your CV including current remuneration [redacted]

[redacted] Calling, Personnel Officer, [redacted] Assurance Society, 107 Cheapside, London EC2V 6DU.

SUN LIFE

[redacted] equal opportunities in employment and [redacted] applications from suitably qualified people regardless of sex, marital [redacted] ethic [redacted] or [redacted]

MANAGEMENT CONSULTANT

[redacted] Management Consultancy [redacted] an experienced consultant to assist in further developing their European practice. Applicants [redacted] 6+ years' experience in financial services and payment systems (preferably plastic cards), [redacted] marketing, [redacted] accounting background. Position requires strong analytical, financial, and [redacted] Multi-lingual ability preferred.

[redacted] parties should [redacted] CVs [redacted] Box [redacted], [redacted] Times, [redacted] SE1 9HL

THE CORPORATE SERVICES GROUP

[redacted] leading European [redacted] with [redacted] well-established [redacted] management and private banking capability [redacted] looking [redacted] complete [redacted] in London.

RELATIONSHIP MANAGER PRIVATE BANKING

Candidates will be able to build and service a portfolio of clients in the Middle East and [redacted] through extensive [redacted] and travel. [redacted] minimum [redacted] years' successful experience in a similar position with exposure [redacted] investment strategies and facility negotiations [redacted] required, together with fluency in [redacted] and French.

PORTFOLIO MANAGER

[redacted] will [redacted] opportunity [redacted] help [redacted] up [redacted] a new unit offering private [redacted] management services [redacted] multi-currency [redacted] international clients. With at [redacted] 5 years' proven [redacted] allocation/strategy and experience in international investment funds, candidates will also be involved in the organisation and systems of the unit, working closely with the relationship team [redacted] expand [redacted] assets under management. Additional language [redacted] will be an advantage.

These [redacted] represent [redacted] opportunity for [redacted] join a dynamic group in a first class bank, committed to developing its already [redacted] Client [redacted] throughout Europe.

Applicants should write, enclosing their [redacted] and [redacted] of [redacted] current [redacted] Frank Hoy, [redacted] Benn, [redacted] Division, 15 Eastcheap, [redacted] EC3M 1BU [redacted] 071-929 0197. Alternatively, [redacted] further information, you can call him [redacted]

Executive Search & Selection [redacted] **Austin Benn**

THE UNITED BANK OF KUWAIT PLC

[redacted] a well [redacted] international consortium bank with [redacted] proven record [redacted] commitment to the [redacted] in London. To demonstrate [redacted] now seeking [redacted] recruit [redacted] senior [redacted] of staff. [redacted] positions will [redacted] a highly competitive salary, together [redacted] a performance [redacted] bonus and full banking [redacted]. The [redacted] are:

OFF BALANCE SHEET TRADER

Ideally aged [redacted] 25 [redacted] the [redacted] candidate will [redacted] a minimum of [redacted] direct experience of trading in Off [redacted] They must also be able [redacted] current profitability.

SENIOR REPO. TRADER

With a minimum of three years [redacted] experience covering US and European fixed [redacted] Preferably aged [redacted] and 35 and [redacted] of taking an established [redacted] meet the challenges [redacted] expanding markets.

For both positions please [redacted] a detailed Curriculum Vitae in [redacted] to:
Angela [redacted]
[redacted] Manager
THE UNITED BANK OF KUWAIT PLC
3 [redacted]
London EC3V 9DT

ISRAELI EQUITIES SPECIALIST ANALYST

Our client [redacted] long [redacted] London Securities House backed by a premier French Financial Institution.

As part of the ongoing development of [redacted] emerging markets business, it now wishes to recruit [redacted] specialist Israeli Equities Analyst.

Applicants [redacted] speak, write and read Hebrew, fluently, must hold [redacted] Economics [redacted] related Degree and have a thorough knowledge of the Israeli Economy and normal accounting and law practices and be able to interpret and present their research and analysis [redacted] global institutional investors.

Please apply in writing enclosing [redacted] full c.v. to David Miller, Director, quoting reference COB 2/2/89 [redacted] the address below.

Deadline for applications Monday 28th February 1994.

Miller Leake ADVERTISING

11 Garrick Street, Covent Garden, London WC2E [redacted]

Salomon Brothers International Limited
Repo/Money Market Trader

Salomon Brothers, [redacted] of the world's leading international investment businesses, wishes to recruit a Repo/Money [redacted] Trader to join [redacted] existing team.

Responsibilities will include managing continental collateral books, developing customer relationships and providing back-up for other collateral trading activities.

The successful applicant will be [redacted] to degree level, ideally with [redacted] finance/economics bias, and must be able [redacted] show well-developed interpersonal and analytical skills. In addition he/she must be fluent in at [redacted] European language [redacted] than English – ideally German. Previous experience [redacted] necessary as full training will [redacted] given.

Interested applicants should write, enclosing [redacted] complete cv and covering letter, to **Isabel Doverty, Salomon Brothers International Limited, Victoria Plaza, 111 Buckingham Palace Road, London SW1W 0SB.**

Salomon Brothers

M&A PROFESSIONAL
UK BASED [redacted]

Our client [redacted] a leading [redacted] a presence in [redacted] 80 [redacted] and [redacted] 3,500 offices in Europe, this bank is well positioned to capitalise on the recent upturn in cross-[redacted] M&A activity.

An opportunity [redacted] for an outstanding [redacted] professional (3-5 years experience) [redacted] join a growing London [redacted] You will [redacted] responsible for the [redacted] origination and [redacted] of international crossborder business, with a special [redacted] on UK/French [redacted] and N. American clients with European requirements.

Aged [redacted] you will [redacted] a good first degree and [redacted] professional qualification [redacted] (first [redacted] passes) or MBA (top quartile) from a leading firm of accountants or top business school. You will [redacted] to [redacted] a working knowledge [redacted] French regulatory environment and a track record of successful transactions in the French/UK corridor. Fluency in French and knowledge [redacted] German [redacted] essential.

*For further information please [redacted] **Julian Davey on 071-638 9205.** Or write to [redacted] at **The Zarak Hay Partnership,** [redacted] Broad Street Place, Blomfield Street, London EC2M 7JH. Confidential fax 071-588 2942.*

THE ZARAK HAY PARTNERSHIP

RESULTS

FOREX DIPLOMA
FOREX EDUCATION

EXAMINATION [redacted]

PASSED WITH DISTINCTION

Robin	Gubbins,	Midland Global Markets,	London
Ben	Kiggell.	[redacted] Markets,	London
Paul	Lewis,	Bank [redacted] International [redacted]	Zurich

PASSED

Gabor	Jakab	BNP - [redacted]	Budapest
Lee	Wickenden	Republic National [redacted] of New York	London
Michael	Brannigan	[redacted] Bank of [redacted] Intl Ltd.,	London
Hilary	Walker	Bank [redacted] Treasury [redacted] PLC.	London
Stephen	Lorimer	Bank of Scotland Treasury Services PLC.	London
Ian	Hollingworth	Commonwealth Bank of Australia	London
Andrew	Keeble	[redacted] & [redacted] Ltd.,	London
Clive	Jones	Lloyds Bank [redacted] (Treasury Division)	London
Joe	Craven	[redacted] Bank	London
Julia	[redacted]	Republic [redacted] Bank [redacted] York	London
Kelvin	Macdonald	Republic [redacted] of New [redacted]	London
Paul	Lattimore	[redacted]	London
	Jyh-Jia-Yeh	[redacted] Entry	London
Marie	[redacted]	ABN Amro [redacted] NV.,	London
Ram	Sabri	Westpac Banking Corporation	London
Garry	Knights	Banque [redacted]	London
Donna	Fagan	Northern Trust Co.	London
Andrew	Rix	[redacted] Espirito [redacted]	London
Paraic	Cosgrave	A.I.B. [redacted]	London
Jill	Harwood	Barclays [redacted] World	London
Miles	Bennett	Barclays de [redacted]	London
Jan	Duesing	Barclays de [redacted]	London
Steven	Everett	Barclays [redacted]	London
Karen	Hoener-Harris	B.P. [redacted] Ltd.,	London
Keith	Heathorn	[redacted] Bank Plc.,	London
Danine	Benardout	[redacted] Lyonnais	London
Clive	Tillbrook	The Nikko [redacted] (UK) Plc.,	London
Andrew	Marshall	B.P. Finance Ltd.,	London
Gavin	Cook	Standard & Chartered Bank	London
Neill	McConkey	Ulster Bank Limited	London
Martin	O'Nans	Barclays Bank Plc	London
Julian	Manfredi	Barclays Bank Plc	London
Walter	Bauer	Creditanstalt Bankverein	London
Douglas	Ellis	Private Entry	London
Elizabeth	Lau	State Street GMBH	London
Marcus	Kohl	Godsell Astley & [redacted]	London
Daragh	Clune	Midland Global Markets	London
Jonathan	Davis	[redacted]	London
Sarah	Dawson	Midland [redacted]	London
John	Drew	Midland [redacted] Markets	London
William	Foy	Midland Global [redacted]	London
Leo	Klemos	Midland Global [redacted]	London
Brandon	Sears	Midland Global Markets	London
Julia	Seymour	Midland Global Markets	London
Nicholas	Stoffel	[redacted]	London
Patrick	Reinert	Banque [redacted]	Luxembourg
Frode	Borhaug	Christiania [redacted]	Oslo
Anil	Sareen	[redacted] Bank of India	Singapore
	Beh Meng [redacted]	First [redacted]	Singapore
Melvin	Ee [redacted] Siang	Bangkok Bank Public [redacted] ltd.,	Singapore
	[redacted] Kheng Ning	[redacted] Union [redacted]	Singapore
	Lim Guat Hong	Overseas Union Bank	Singapore
	Ong Siew Hoon	Den [redacted]	Singapore
Sharan Jeet	Kaur	Banca Nazionale del [redacted] SPA	Singapore
	Yap Tsok Kee	[redacted] Union [redacted]	Singapore

The next examination for [redacted] Foundation Diploma will be held on Monday 13th June [redacted]

Details of courses [redacted] appear on [redacted] page FALZ.

All enquiries should be directed to Brian Green 0604 864759

HILL SAMUEL

would like [redacted] speak to individuals with [redacted] background/experience with a view to, [redacted] suitable training, selling [redacted] range of Investments and Estate Planning [redacted] both private and corporate clients. Please write to [redacted] phone:

Ron Jeffery, District Manager, 29 Queen Anne's Gate, SW1H 9BU 071 222 4858

US LISTED EQUITY DERIVATIVES SALESPERSON

Applications invited from experienced persons with established client base. Please write enclosing a comprehensive CV with past salary history to:

Floor Broker Network,
16 Tiller Court, London E14 8PX

CREDIT ANALYST - FLUENT GERMAN

Excellent salary and pkg

Marvellous career opportunity to join top European Bank. Ideal applicant [redacted] 30's + and [redacted] to degree level [redacted] min. 5 yrs. banking experience. Knowledge of German [redacted] analysis, credit issues and German [redacted] credit business desirable. Quick career progression for ambitious, self-motivated individual.

For more details phone Martine Lancaster

Tel [redacted] 583 0180 Fax [redacted]

071-377 6488

Fixed Income Sales [redacted]	Repo Sales
[redacted] £90,000 + Perks	[redacted] £70,000 + Perks
Fixed Income Sales to France	UK Sales Manager
[redacted] £75,000 + Perks	to £120,000 + Perks
Fixed Income Sales to [redacted]	Senior Repo Trader
[redacted] £100,000 + Perks	to £80,000 + Perks
Head of Central Banks	Derivati[redacted] Trader
[redacted] £125,000 + Perks	[redacted] £90,000 + Perks
[redacted] Sales to Scandinavia	FRN Trader
to £70,000 + Perks	[redacted] £80,000 + Perks
3 Fixed Income Sales to U.S. (New York based)	BTP Trader
£80 to £110,000 + Perks	to £85,000 + Perks
Fixed Income Sales to the Mediterran[redacted]	[redacted] Trader
to £80,000 + Perks	to £90,000 + Perks
	[redacted] deutschma[redacted] Maker (Paris [redacted])
	to £80,000 + Perks

For further details please call Sue Stevens on 071-377 6488 or 081-364 1833. Alternatively send/fax your CV to us. All applications are treated in the strictest confidence.

CAMBRIDGE APPOINTMENTS
232 [redacted] High Street, London E1 [redacted] Fax no. 071-377 0887

THE BANK OF NEW YORK

The Bank of New York, a major US Bank, wishes to fill the following positions in its West End office:

- **CORPORATE TRUST ADMINISTRATION OFFICER**
  Liaising closely with our New York Head Office the successful candidate will be responsible for all aspects of administration of International Corporate Trust issues. Significant Corporate Trust administration experience with concentration in International Issues Services is required. [redacted] FTJA01)
- **RELATIONSHIP MANAGEMENT OFFICER**
  Reporting to the Vice President of General Marketing the successful candidate will be responsible for support, financial analysis and front line marketing of full range of corporate, [redacted] industry [redacted] financial institutions products. Significant relevant experience is required. (Ref: FTJA02)
- **NOSTRO ACCOUNTING DEPARTMENT MANAGER**
  Reporting to the Officer in charge of General Banking the successful candidate will be responsible for day [redacted] day departmental management. Strong people management skills and [redacted] working knowledge of reconciliations [redacted] essential. [redacted] FTJA03)

Candidates for the top two positions should be graduates and all positions require excellent self motivation, communication and PC skills.

Written applications only please including full CV and current salary details quoting the appropriate reference to:
Maria Gigli, Personnel Officer, The Bank of [redacted] York,
[redacted] Berkeley Street, London W1X 6AA

[redacted] DIRECTOR

CORPORATE TAX
&
MEZZANINE FINANCE [redacted]

First Nordic Finance Ltd is a small London based firm of niche corporate tax advisors. We require a Managing Director with entrepreneurial ability to direct our rapid pan European expansion.

A strong academic background and several years relevant experience is required. Success will be well rewarded.

Interested candidates should write, enclosing an up-to-date Curriculum Vitae to: First Nordic Finance Ltd, 10 Hill Street, London W1X 7FU. Fax: 071-409 3448.

EURO WEEK

Euroweek, Euromoney Publications' highly regarded weekly covering the international capital markets, is seeking editorial staff in a variety of positions to [redacted] its rapid international expansion.

DEPUTY [redacted] EDITOR: Responsibilities will [redacted] news coverage, editing of weekly sections and special reports. Candidates should have a thorough knowledge of the financial markets, an entrepreneurial outlook and a demonstrated flair for writing and editing copy.

ASIAN EDITOR: To organise and oversee weekly news output on the Asian securities markets, write, commission and edit special features and develop a network of freelance writers in the region.

FINANCIAL JOURNALISTS: Candidates should have a broad knowledge of the international capital markets, an enthusiastic approach and the ability to work within a team.

Salary and benefits are negotiable according to experience. Please forward a complete CV to Nicolas Evans, Editor, Euroweek, Nestor House, Playhouse Yard, London EC4V 5EX.

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Major bank seeks trader with knowledge and experience of:

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Write to: Box B2256, Financial Times, One Southwark Bridge, London SE1 9HL.

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Th[redacted] opportunity to develop a [redacted] in fund management will appeal to a computer-literate graduate who has [redacted] years' Far East stock market experience. A knowledge of equity derivatives would be an advantage.

Please send full [redacted] details, indicating current salary, to Lisa Jepson, Personnel Officer, United Friendly Insurance plc, 42 Southwark Bridge Road, London [redacted].

The closing date for applications: Wednesday, 16th February 1994.

UF United Friendly Insurance plc

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[redacted] are leading providers of charting, technical analysis, option [redacted] and price reporting [redacted] to [redacted] Futures, Commodity, FX and Energy Markets. Due [redacted] continued expansion we [redacted] the following [redacted]

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Reporting directly [redacted] Managing Director, [redacted] is a new position within the company. [redacted] seeking a professional with [redacted] management experience, gained preferably, [redacted] not essentially within [redacted] industry, who can [redacted] team [redacted]. The [redacted] will [redacted] broad understanding [redacted] financial markets, be highly motivated, [redacted] organised and [redacted] good communicator. This is an [redacted] opportunity within a [redacted] growing company.

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[redacted] looking for top quality [redacted] professional [redacted] people who enjoy working within [redacted] team. You will have [redacted] at least 2 years sales experience within the [redacted] markets, have first [redacted] communication skills, and a proven track record of successful selling. These positions carry exceptional [redacted] and [redacted] chance for [redacted] development in [redacted] environment.

[redacted] apply in writing with CV to:

[redacted] Fallowfield-Cooper, Managing Director, [redacted] UK, 1 Marble Quay, St [redacted] Way, London E1 9UL. Or fax to: 071 481 [redacted]

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Our client [redacted] of the World's leading providers of real time financial [redacted] and price information [redacted] the City.

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ACCOUNTANCY COLUMN

Pieces of Cadbury still await consumption

Andrew Jack explains that two of the report's most vital recommendations have yet to be implemented

An unlucky 13 months or more after launching his report on the financial aspects of corporate governance, Sir Adrian Cadbury must be beginning to wonder whether its final chapters will [redacted] completed.

While companies are [redacted] frequently making [redacted] the code in their accounts, they have had to be assured that they need only comment on those aspects for which final guidelines have [redacted] and come into [redacted]. Two vital [redacted] are still [redacted].

Introduced into [redacted] committee's [redacted] relatively [redacted] in the [redacted], and squeezed almost as a casual aside into the draft text, are a couple of points with which companies [redacted] expected [redacted] comply but for which guidelines have still to be finalised.

The first says that "directors should report on the effectiveness of internal control, [redacted] auditors should report on their [redacted]".

The [redacted] in the report [redacted] a going [redacted], with supporting assumptions [redacted] qualifica[redacted], and [redacted] should report [redacted]".

The two phrases [redacted] innocuous enough. But rarely have so few words triggered such ferocious debate, lengthy expositions and inordinate delay. The disputes are still very much alive.

In fact, [redacted] things [redacted] going, it [redacted] well [redacted] early [redacted], if at all, [redacted] companies are in a position to [redacted] complying with [redacted] internal control recommendations. That would be just a [redacted] months [redacted] Cadbury's [redacted] charged with appointing, by the end [redacted] June [redacted], a new group [redacted] progress and develop [redacted].

Existing guidance is certainly weak. Present companies legislation requires [redacted] maintain [redacted] quate accounting records [redacted] enable them [redacted] the [redacted] position of the company [redacted] time with reasonable [redacted]. That [redacted] the need for internal controls without [redacted] explicit requirement.

The companies [redacted] also require accounts to be prepared on the presumption that the company is a going [redacted] in [redacted] 2, the accounting standard on [redacted] policies, as likely [redacted] continue [redacted] the foreseeable future. Auditing guidelines, in turn, say this is normally six months after the [redacted] of the audit report [redacted] after [redacted] balance [redacted] date, [redacted] longer. [redacted] specific requirements [redacted].

The sting in [redacted] tail [redacted] the [redacted] of the [redacted] Cadbury recommendations: [redacted] accountancy profession [redacted] with preparers [redacted] develop criteria and guidance on the topics for companies and [redacted].

Getting a group [redacted] and company executives to agree has proved far harder than probably anyone initially expected. How useful [redacted] wording will be remains [redacted] question.

The [redacted] first began [redacted] June with a speech by Michael Lawrence, [redacted] former finance director [redacted] Prudential and chairman [redacted] Group of finance directors of leading companies, who recently became [redacted] utive of the Stock Exchange. He was critical of "corporate overload" as a [redacted] so many new [redacted] of guidelines.

The result [redacted] "overload group", which has since met regularly to help co-ordinate [redacted] and [redacted]. In practice, [redacted] has meant [redacted] the guidelines on internal [redacted] the going concern [redacted]ment.

One of Lawrence's prime concerns – echoed by much of business – was (and remains) that the internal controls proposals ranged [redacted] more widely than Cadbury's [redacted] suggestions, [redacted] excessive and potentially meaningless discl[redacted]

Even the accountancy profession, which might [redacted] gain new [redacted] auditing and advising [redacted] extensive internal control [redacted] divided. For example, Gerry Acher, making his mark as head [redacted] accounting and auditing [redacted] Marwick, [redacted] far on [redacted] minutiae.

Mr Roger Davis, head of auditing at Coopers & Lybrand, [redacted] a similar view. "The profession has taken [redacted] fairly simple concept – is the board doing the right sort of thing [redacted] internal controls? – [redacted] turned it into doz[redacted] detail," he [redacted]. "We are in danger of shooting our [redacted] in the [redacted] and [redacted] in the foot."

[redacted] the other hand, Paul Rutteman, a technical partner with Ernst & Young, [redacted] the internal control working party, [redacted] vinced of the need for a statement. He [redacted] directors are already responsible [redacted] maintaining internal controls, [redacted] they are not being placed under new obligations; nor should they [redacted] incur additional [redacted] provide a [redacted].

However, he does concede that the existing guidance is too lengthy, and is now working on a revised [redacted] with a remit to [redacted] it substantially shorter.

The going concern debate has until recently taken place more behind the [redacted] it has primarily been [redacted] as an internal technical debate for auditors and accountants. Yet its implications are as significant.

That all [redacted] when the Auditing [redacted] its [redacted] going concern guidance in December. This called [redacted] of [redacted] period [redacted] auditors should gain [redacted] company is viable: for [redacted] year from the date on which the accounts are approved.

Meanwhile, [redacted] working [redacted] at [redacted] Chartered Accountants in England and Wales to develop the Cadbury guidelines has developed [redacted] different view: that rigorous going concern ass[redacted] is only [redacted] up till [redacted] the [redacted] balance [redacted] Beyond that, their budgets and [redacted] information are [redacted] limited and the the assurance cannot be as firm.

What [redacted] ignores – and the [redacted] has [redacted] rectify – [redacted] companies in financial difficulties may well delay signing [redacted] accounts until [redacted] after [redacted] year-end, [redacted] just a [redacted] months [redacted] the next balance sheet date, giving going concern assurance over a very short period.

Now Henry Gold, technical director of the institute, is suggesting a compromise: that reassurance [redacted] an extended period should be provided in the operating and financial [redacted] section of the annual report.

It [redacted] clear that both the internal controls and going concern [redacted] still deserve considerably more debate before final conclusions are reached. But that still ignores a more fundamental question: whether either statement will make any real difference to corporate governance.

The risk [redacted] that the wording chosen will [redacted] in the [redacted] of the text in [redacted] annual reports, heavily vetted by lawyers and saying little that would provide a public clue to any financial problems.

Mr Gold [redacted] the fact that directors are forced [redacted] make [redacted] public [redacted] on either [redacted] will con[redacted] their minds and force them to [redacted] more rigorous in meeting [redacted] legal obligations.

But if directors need to be reminded more fully of their obligations [redacted] maintain internal controls and [redacted] whether their company is a going concern, that would probably be best achieved by a change to the [redacted].

If auditors are to be required to [redacted]mment or contradict any such directors' statements they believe [redacted] be false, there will [redacted] need to be far firmer guidelines to [redacted] them in [redacted].

Merely adding new [redacted] triggers [redacted] danger of simply producing [redacted] bland text in the annual report, which readers will justifiably skip knowing [redacted] its contents are all but meaningless.

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- Ensure the highest standards of financial integrity; liaise with external auditors; undertake extensive UK travel.

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- Qualified Accountant with minimum 2 years' PQE. Audit experience in industry and/or professional firm. Technically excellent.
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THE [redacted]

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THE POSITION

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- Significant strategic input [redacted] substantial change. Emphasis on analysis, interpretation and presentation of financial data.
- Extensive senior level contact. Develop relationships with overseas offices.

QUALIFICATIONS

- High achieving graduate accountant, aged 30's. Experience of developing systems and product accounting in complex, multisite organisation.
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Our client is a market leading service organisation with a strong brand image and a reputation for the quality of its customer service. As part of its planned strategic growth into Europe, a high calibre Treasurer is required to develop the treasury function.

Reporting [redacted] the Financial Controller, key tasks will include:

- optimisation of cash [redacted]
- introduction of techniques for managing currency and interest [redacted] exposures
- formulation of risk management policy
- evaluation of methods of funding and risk [redacted]

Prospective candidates [redacted] be qualified accountants, preferably possessing [redacted] studying for the ACT qualification, aged 30-45, with a minimum of 3 years experience in Treasury Management.

Applicants should be able [redacted] offer both a "hands-on" approach to the business and the intellectual ability to contribute [redacted] the strategic decision-making process. Equally important [redacted] strong communications skills combined with independence, maturity and commercial [redacted] The company has an open and informal management style, where performance and contribution [redacted] recognised and rewarded. Fluency in a second language [redacted] desirable though [redacted] essential.

Interested applicants should write enclosing a [redacted]prehensive curriculum vitae and daytime telephone number to Gary Watson [redacted] Norrie Sinclair at Michael Page Finance, Page House, 39-41 [redacted] Street, London [redacted] 5LH quoting ref. 169566.

Michael Page Finance

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European Financial Controller

Advertising

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A European Financial Controller [redacted] required to [redacted] responsibility for the provision of financial information and commentary to European management. Reporting directly to the European CFO, responsibilities will include:

- monitoring and improvement of client profitability
- identifying new [redacted] opportunities
- recommending and implementing efficiency initiatives
- negotiations with clients
- acting as liaison between plc and the network [redacted] financial issues
- supervision of [redacted] qualified European Finance Managers

This key role will involve extensive contact with both the CEOs and Financial Directors of the operating units, as the individual will be expected to provide significant commercial input to the management and continued profitable growth of the business.

Candidates, aged 32-45, must be graduate qualified accountants with a successful track record gained in the Advertising sector, preferably in a senior line position.

Applicants should be able [redacted] offer a "hands-on" approach to the business and the intellectual ability to contribute to strategic decisions. The company has an open and informal management style where performance and contribution [redacted] recognised and rewarded. The [redacted] package [redacted] negotiable and will not be an obstacle for the perfect candidate.

Interested applicants should [redacted] forward a comprehensive curriculum vitae (including salary details and daytime telephone number) quoting ref: 167652 to Gary Watson at Michael Page Finance, Page House, 39-41 Parker Street, London [redacted] 5LH. All applications will be treated with the [redacted] confidentiality.

Michael Page Finance

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Financial Director Designate

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Our client is a highly profitable £20 million [redacted] subsidiary of a major European group. The company is involved in [redacted] manufacture and supply of a diverse range of products for the home improvement market.

The [redacted] position of UK market leader has been achieved via a policy of quality, innovation and product development, coupled with excellent [redacted] service.

A new opportunity [redacted] been created for a talented [redacted] to join the Finance team. Reporting to the Finance Director, key responsibilities will include:

- Formulate and develop management information systems with specific emphasis on [redacted] control and product profitabili[redacted] to reflect changing business needs
- Formulate and develop systems strategies [redacted] respect of hardware and software facilities, to ensure the provision of timely, modern, [redacted] and reliable [redacted] applications
- Identification of inefficiencies in the widest [redacted] by use of standard [redacted] and budgetary control techniques [redacted] prompt management to effect remedial action
- The preparation and interpretation of the management accounting information and reports, including ongoing dialogue with directors and line [redacted]
- Assistance in preparation of annual budgets and quarterly forecasts
- Full involvement in all management project meetings
- Extensive commercial liaison [redacted] all levels and [redacted] all manufacturing sites within the business

Suitable candidates will be qualified accountants with experience gained within a manufacturing environment in a sharp end operational role, including a detailed working knowledge of costing and computerised systems.

Excellent communication skills, coupled with initiative, assertiveness and a proactive approach to problem solving [redacted] important qualities. In [redacted] the company offers an attractive package and a real prospect to achieve Financial Director [redacted] on the retirement of the existing incumbent.

Interested applicants please apply enclosing comprehensive CV [redacted] Paul Kinsey, ACMA, Michael Page Finance, 29 St Augustine's Parade, Bristol, BS1 4UL quoting reference 161881.

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The Circle 33 Housing Group is one of England's leading providers of social housing. Over the past four years it has housed over 3,000 households in London, the Home Counties and the East Midlands bringing its total stock to over 8,500 homes. Circle 33 has an asset base of [redacted] million. In the last financial year it spent £96 million on additions to its housing stock and made [redacted] surplus of £1.2 million. Circle 33 has played a major role in raising funds from the private sector. Through HACO it has helped to raise over £114.5 million (nominal) for nine housing associations since July 1992.

33

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The successful applicant must demonstrate:

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- a proven track record in leading and managing financial systems within a complex organisation
- experience of treasury management
- an [redacted] grasp of information technology applications and [redacted] implementation.

Previous experience of housing association finance is [redacted].

For further information and an application form please contact our 24 hour Answering Service on 0923 779129 quoting reference no: FIN/COR/138.

Closing [redacted] for receipt of completed applications: Noon - Friday [redacted] February 1994.

Circle 33 is an equal opportunities employer and we therefore welcome applications from all. [redacted] will not discriminate on grounds of race, sex, creed or sexual orientation and we particularly welcome applications from people with disabilities.

IA8737

International Accountant

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In this new role, you will focus on the development and implementation of a consolidated P [redacted] L/Balance [redacted] system to augment the existing monthly management accounts. You will also [redacted] involved [redacted] developing a Group Treasury function, and [redacted] closely with the [redacted] International [redacted].

Professionally qualified (ACA [redacted] ACCA), you should possess significant experience of international consolidation, [redacted] some knowledge of international tax, transfer pricing [redacted] multi-currency work, supported by detailed knowledge of UK tax issues. In addition, you should have excellent negotiation and communication skills. The role is UK based, although it may involve [redacted] international travel.

[redacted] offer an excellent package which includes profit [redacted] bonus, PPP, five weeks holiday, and a smoke-free environment at [redacted] pleasant [redacted] Ditton offices.

For an application form, please [redacted] Lin Robertson, Personnel Manager, Saville [redacted] Holdsworth Ltd, 3 AC Court, High Street, [redacted] Ditton, Surrey KT7 [redacted] Tel: [redacted] 4170. The closing date for receipt of completed applications [redacted] 22 February 1994.

SHL

Saville [redacted] Holdsworth Ltd
Occupational Psychologists

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Finance Manager – Enterprises Group

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Enterprises is a self-funded business, operating entirely on commercial lines, with surpluses re-invested to maintain and improve quality and fund expansion. Reporting both to the Deputy General Manager of Enterprises Group, and the central Financial Controller, the Finance Manager will play [redacted] vital role in the continued [redacted] of the Group.

Key tasks will include:

- taking a [redacted] role in the introduction of accruals accounting and the implementation of [redacted] new financial information system;
- providing advice [redacted] improving the commercial performance of Enterprises;
- leading, motivating and training the finance team and providing management information and analysis for [redacted] Group.
- maintaining and developing corporate financial control systems and standards;

This is [redacted] first class opportunity [redacted] contribute to [redacted] Council as it repositions [redacted] an increasingly tightly-controlled, cost [redacted] and commercially-aware organisation. Candidates should be graduate qualified accountants, aged 28-38, with a successful track record in broad-based financial management roles, in a large, complex multinational environment. Experience should include staff training, financial control, analysis and systems development. Some knowledge of activity-based costing, capital appraisal and foreign exchange [redacted] management would be an advantage.

Personal characteristics [redacted] include energy, professionalism and excellent communication skills. The ability [redacted] think laterally and solve problems creatively would be highly valued. The Finance Manager will spend about 30 days a year abroad.

Please send a full CV in confidence to GKRS at the address below, **quoting reference number 256J on both letter and envelope, and including details [redacted] remuneration and availability.**

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GKRS

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This is an exciting opportunity for a taxation specialist with a first degree, further management qualification and excellent [illegible] record of achievement to build a [illegible] and profitable business. Quality driven with plenty of enthusiasm [illegible] you will need to be highly [illegible] focused, extremely [illegible] and highly [illegible] with the credibility to impress senior board members.

The [illegible] are [illegible] and you will receive a competitive salary to reflect your experience.

For a briefing pack about this unique and challenging role, please contact Richard Knowles, MSL [illegible] Limited, 32 Aybrook Street, London W1M 3JL. Tel: 071 487 5000 quoting ref A1305. The Inland Revenue Training Office is an equal opportunity employer. Completed applications should be in by [illegible] February 1994.

MSL International
CONSULTANTS IN SEARCH AND SELECTION

European Finance Manager

London **to £35,000 + Car**

The European [illegible] of a UK Engineering group, our client manufactures sophisticated instrumentation and control systems for the automotive and [illegible] industries. It has a network of operations in Western Europe and is currently expanding its interests Eastwards.

As a member of a small Head Office team, the European Finance Manager will work closely with both the FD and the MD. The successful candidate will be responsible both for Head Office accounting and control and for subsidiary budget review and performance analysis. In addition the role will involve capital expenditure appraisal, special investigations and a broad range of project work, liaising directly with the US parent group and with Controllers at the subsidiaries.

Candidates should be qualified accountants with [illegible] commercial accounting experience gained in a substantial manufacturing environment. We are looking for a mature, [illegible] who readily accepts responsibility and who [illegible] with confidence at the highest levels. You should have well-developed [illegible] and administrative skills, be able to travel internationally at short notice, and be comfortable working on your own initiative.

To apply please write in confidence enclosing a CV and details of current remuneration to Paul Carvosso, Ref 54C36, MSL International Ltd, 32 Aybrook Street, London W1M 3JL.

MSL International
CONSULTANTS IN SEARCH AND SELECTION

Coopers & Lybrand

ACCOUNTANTS FOR CONSULTANCY **UP TO £50K**

Financial & Business Performance Measurement

Coopers & Lybrand is one of the UK's leading firms of management consultants and [illegible]. The breadth of our experience, the calibre of our people and our unswerving commitment to [illegible] is continually in demand from [illegible] financial [illegible] sector.

This quality of service is maintained and developed by the continual recruitment of the industry's top professionals. We are currently seeking [illegible] ambitious accountants, with demonstrable experience in the banking, building [illegible] or [illegible] sector. In this uniquely challenging environment, you will be working on a [illegible] variety of demanding assignments on behalf of prestigious blue-chip organisations both in the UK and internationally.

Part of a high quality team, committed to [illegible] leadership in the marketplace, you will work with clients to improve the way they measure and manage their profitability, performance and [illegible]. You must, therefore, be able to [illegible] credibility, up to Board level, on [illegible] such as management information, product [illegible] profitability and activity [illegible] costing. In return, we offer [illegible] opportunities to develop your career and individually tailored training.

A qualified accountant, with an impressive academic background, aged [illegible] to mid-30s, you must be able to point to at least two years' financial services [illegible] experience. [illegible] as [illegible] your [illegible] communication skills, [illegible] insight, self motivation and an ability to produce pragmatic, yet imaginative [illegible].

If you [illegible] you can add to the strength of our team, please [illegible] with full career and salary details, to Jenny Penwarden, Coopers & Lybrand, [illegible] Court, London EC4A 4HT, quoting ref. [illegible] on both envelope and letter.

Solutions for Business

Grampian Country Food Group
Traditional Goodness

Accountant - North Wales

Grampian Country Food Group, one of the largest fresh and frozen chicken producers in the UK have recently acquired Cymru Country Chickens Ltd., based in Anglesey. The opportunity now exists for a high calibre accountant to join the management team and act as the company's senior finance person.

The company's integrated operations are run through three divisions, Hatching, Rearing and Processing of 240,000 birds per week at the company's automated production plant dedicated to processing chickens for the major retail trade.

This is a senior management position with the opportunity to build a supporting accounting team. It will require the ability to control and develop the existing accounting, reporting and management information systems and play a full part in influencing the profitable growth and commercial development of the business.

Food processing experience is not as important as the ability to demonstrate achievement in a demanding industrial environment.

An excellent remuneration package will be offered, including a company car and the benefits of working for a highly progressive group of companies. Re-location will be available where necessary.

If you believe you can make a major contribution to the on-going success of Grampian Country Food Group, please reply in writing, including full C.V., and full salary history to:-

Group Human Resources Manager, Grampian Country Food Group Limited, Coulman Street, Thorne, South Yorkshire, DN8 5JT

The closing date for applications is 18th February, 1994. No Agencies.

Grampian Country Food Group

HEAD OF INTERNAL AUDIT

NEW INTERNATIONAL GROUP FUNCTION

BASED [illegible] **c.$150,000 + BENEFITS**

- Rare opportunity to create a group audit function. Existing [illegible] resources [illegible] billion turnover [illegible] with subsidiaries worldwide.
- Main purpose of this new role is to develop an effective internal audit function both at group and operating company levels and satisfy the requirements of the Audit Committee. Key activities are to establish terms of reference, review internal controls and develop appropriate policies and procedures.
- Future prospects for broadening the scope of the role and further career opportunities are excellent within an expanding international group.
- Probably 35-45, and a qualified accountant. Proven record either as a senior member of a substantial and influential internal audit team or a senior professional in a major international accountancy practice.
- [illegible] combine an ability to see the big picture with a willingness to play a hands-on role. International exposure to dispersed groups with strong operating companies. Able to commit to significant travel schedule.
- Fluent English. Thrives on change rather than rule-bound stability. Strong interpersonal, diplomatic and presentation skills.

Please apply in writing quoting Ref: 700 with full career and salary details to: Peter Evans Whitehead Selection Limited 43 Welbeck Street, London W1M 7HF Tel: 071 637 8736

Whitehead SELECTION
A Whitehead Mann Group PLC company

Coopers & Lybrand

OIL & GAS **INTERNAL AUDITORS**

Delivering objectivity and adding value to joint venture audits

Joint venture auditing in the oil and gas industry is a new service from Coopers & Lybrand. It is a service we are uniquely placed to develop. As one of the world's leading professional service organisations, we offer clients broad-based objectivity and the highest possible [illegible]. We combine quality and cost-efficiency with a first class, independent knowledge of the global oil and gas industry.

[illegible] this new service as an experienced internal auditor, you will [illegible] these capabilities to prospective clients around the world, building oil and gas joint venture auditing into a significant business base.

Genuinely capable of building a business, you will be an experienced internal auditor with [illegible] exposure to joint venture auditing. An ambitious chartered accountant, you should have an excellent knowledge of the oil and gas industry, along with a keen awareness of the importance of service delivery.

The rewards are everything you would expect from a business of the stature of Coopers & Lybrand. Additionally, you will be given opportunities to become involved in other aspects of our diverse business activities.

If you feel you could contribute to the building and development of our team, please write with full career and salary details, to Stephen Mitchell, Coopers & Lybrand, 1 Embankment Place, London WC2N 6NN quoting ref FT065 on both envelope and letter.

Solutions for Business

British Railways Board

SENIOR BUSINESS ANALYSTS

Managing the transfer to the Private Sector

c£40,000 + Excellent benefits

Central London

The privatisation of British Rail is one of the [illegible] demanding business challenges [illegible] post-war years, involving the creation of [illegible] business units which will transfer [illegible] the private [illegible] Analytical support for Board Members and [illegible] Group Directors in managing these major changes will [illegible] provided by a high calibre team working together to [illegible] all aspects of financial and operating performance and business planning

The requirement is for three Senior Analysts to [illegible] small [illegible] within the Group Financial Analysis department, providing support to the Directors of the three groups of passenger and freight [illegible] operating units The roles will also include the provision [illegible] key business advice [illegible] the Chief Executive and other Board Members on maintaining financial and operating performance whilst developing the business units for transfer [illegible] the private [illegible]

Specific duties will include -

- Analysis of current performance, forecasts and plans.
- Identification of key performance issues and impact [illegible] strategic business performance, both for individual operating units and the overall (corporate) business.
- Preparation of financial performance briefing reports for presentation to senior management and the Board.
- Assistance in the development and management of the budgeting and planning process

Candidates [illegible] be graduates, with either a recognised accountancy qualification or an [illegible] Personal attributes will include strong analytical communication and team working skills, together with sound business awareness and the ability [illegible] think strategically.

Please apply, enclosing full C.V [illegible] Collette Harrison at Robert Half, Walter House, 418 The Strand, London, [illegible] OPT. Tel. 071-836 3545, 24 hours. Fax 071-836 4942

[illegible] retained consultant, any C V's submitted directly [illegible] our client will be forwarded to Robert Half.

ROBERT HALF
THE HUMAN FACTOR

FT/LES ECHOS

The FT can help you reach additional business readers in France. Our link with the French business newspaper, Les Echos, gives you a unique recruitment advertising opportunity [illegible] capitalise on the FT's European readership and to further target the French business world. For information on rates and further details please telephone:

Clare Peasnell on 071 873 4027

Bankers Trust Company

OPPORTUNITIES FOR ACCOUNTING AND BANKING PROFESSIONALS

Bankers Trust is pre-eminent in the creation, trading and [illegible] of Securities and Derivative products globally, as well [illegible] being a leader in Risk Management. A strong capital base and [illegible] extremely impressive performance record (1993 earnings exceeded [illegible] Bn) [illegible] driving [illegible] expansion of the bank on an international scale. As a result there are a number of outstanding opportunities in [illegible] of the most prominent areas of the organisation. Applications are welcomed from individuals who [illegible] the ability, personality and motivation to be successful in our dynamic, [illegible] paced and demanding environment.

Risk Consultants

As part of a global group, the London team focuses on the businesses in Europe which encompass Proprietary trading, Derivatives and Fiduciary Services.

The team applies advanced risk focused procedures including mathematical modelling and computer assisted techniques to assess and provide consulting advice on valuation, accounting, risk management reporting and operational matters.

Specifically [illegible] examines:

- How the risk of complex and esoteric financial products and transactions [illegible] being structured, managed and reported
- Systems support [illegible] developments
- Internal controls and management of the business

The team is encouraged to challenge the status quo and act [illegible] a catalyst for change.

Financial Analysts

The European Financial Group is responsible for producing financial, management and regulatory information [illegible] Europe, which includes London, Frankfurt, [illegible] and Madrid. [illegible] liaison with a variety of business units incorporating Treasury, Tax, Credit and all operational areas ensures extensive exposure to the full [illegible] of the bank's complex financial products.

The [illegible]

- Addressing the accounting and regulatory issues arising from new products and companies
- Ongoing systems development, including the design and implementation [illegible] major new corporate wide accounting and reporting system
- Production [illegible] monthly results for New [illegible] with the emphasis on detailed analysis of P&L and [illegible] on/off balance [illegible] products

The People – "Our success is based on [illegible] people"

Successful candidates will ideally [illegible] qualified [illegible] with two to eight years banking experience gained [illegible] an accounting, controllers or audit function within [illegible] banking industry [illegible] accounting profession

You [illegible] be:

- Numerate and analytical
- Able to work under pressure without sacrificing quality
- A team player [illegible] excellent communication and interpersonal skills
- Flexible and creative

[illegible] roles [illegible] excellent [illegible] progression either within the group or globally [illegible] the bank. [illegible] European language would be advantageous.

Please clearly indicate which role you wish to be considered for and call Tony Barnes at Robert Walters Associates on 071-379 3333 (confidential fax 071-915 8714), or write to him at 25 Bedford Street, London, WC2E [illegible]

ROBERT WALTERS ASSOCIATES

C F A
CHRYSSAPHES FLAMMIGER ASSOCIATES

International Accountant with Commercial Flair

Finance Manager

Age to 40 — Full Expatriate Package — Southern Africa

[illegible] a [illegible] multinational group employing in [illegible] 16,000 people, with operations in over [illegible] countries across Africa, the Pacific, Middle East and Europe.

[illegible] exceptional individual [illegible] sought for the position of Finance Manager [illegible] of [illegible] Group's [illegible] in Southern Africa, [illegible] major distributorship engaged in the servicing [illegible] importation of capital equipment and [illegible] parts.

Reporting directly [illegible] Managing Director and functionally [illegible] Divisional Finance Director in London, you will [illegible] a large team [illegible] be responsible for all financial matters. In particular, you will [illegible] expected [illegible] provide a strong strategic and commercial financial perspective [illegible] business and, together [illegible] other company [illegible] and directors, ensure the company's [illegible] profitability, long-term growth and liquidity.

You will [illegible] highly pragmatic, qualified [illegible] with previous exposure [illegible] Africa, ideally gained from within a [illegible] culture or trading environment, [illegible] can offer commercial flair, and a strong affinity [illegible] systems. This important position [illegible] a substantial and comprehensive expatriate package on [illegible] initial [illegible] year contract (on [illegible] married [illegible] single status), and [illegible] likely [illegible] lead [illegible] long-term career opportunity elsewhere within the Group.

You should write, enclosing a resume and details of current remuneration, together with daytime/evening telephone numbers, quoting reference 401/A on both envelope and letter, to the address below.

Chryssaphes Flammiger Associates, Bechtel House, 245 Hammersmith Road, London W6 8DP.

Finance Support Manager

GRE Mortgages Limited is a member of the Guardian Royal Exchange Group of Companies. [illegible] Ipswich-based team has [illegible] under management of some [illegible] million, including [illegible]

[illegible] the rapid expansion [illegible] we [illegible] now looking [illegible] an experienced Finance Support Manager [illegible]. You will run a 16-strong specialist unit dealing with a mixed portfolio [illegible] more than 8000 [illegible] Company [illegible] handling [illegible] and [illegible] growing External [illegible] Funds [illegible] manage.

A graduate with an ACA qualification, [illegible] least two years' experience in a [illegible] environment. The nature of the role [illegible] both [illegible] class people management and high level communication skills. The ability to analyse complex verbal and numerical data is also essential as are first rate organisational and planning skills.

For an individual with drive and ambition, this is an excellent opportunity [illegible] take [illegible] senior position [illegible] a company that is well placed to maintain its growth momentum.

Please send your CV to: Mrs.L.Taylor, Personnel [illegible], U.K. Management Development, Guardian Royal Exchange, Civic Drive, Ipswich [illegible] 2AN.

Closing Date: Friday 18th February, 1994.

c.£28,000 + Benefits
Ipswich

Guardian Royal Exchange

GRE is an Equal Opportunities Employer.

CORNWELL PARKER

DIVISIONAL FINANCE DIRECTOR

Furniture — Up to [illegible]

Major changes in our marketplace [illegible] identification of new [illegible] opportunities have brought about the formation of Cornwell Parker Furniture, to incorporate the businesses of Parker Knoll and [illegible] Furniture.

As part of our restructuring, we have created the key post of Divisional Finance Director, whose primary role will [illegible] to provide the Chief Executive with advice and guidance on the financial implications of commercial/manufacturing strategies and business development opportunities. Additionally, you will be actively involved in driving the progressive development of M.I.S., as well as overseeing the accounting, budgeting [illegible] planning programmes for the division's operating businesses.

As a senior financial professional you [illegible] have [illegible] rapid career development within 'blue chip' organisations, including some experience at operational level within a multi-site manufacturing environment, preferably within the quality [illegible] durables [illegible]. Subsequently you will have made [illegible] strong personal contribution to providing new business direction within [illegible] rapidly changing industrial organisation at [illegible] operating company and divisional/group level.

You will be renowned for your strategic and analytical thinking ability, whilst retaining a high level of commercial awareness. A positive commitment to extending IT systems to all [illegible] of the operation within the framework of an integrated policy is essential.

A competitive benefit package, including a fully expensed car, complement a salary of up [illegible] plus performance related bonus.

Applicants should forward a comprehensive c.v. to: Clive Hallett, Group Head of Human Resources, Cornwell Parker plc, The Courtyard, Frogmoor, High Wycombe, Bucks HP13 5DJ.

CORNWELL PARKER

• C I V I L • S T A F F •

SENIOR ACCOUNTANT

A leading development role

Our drive [illegible] improve financial control [illegible] value [illegible] money in [illegible] Metropolitan Police Service is now well under [illegible]. Within our Finance Department we [illegible] currently implementing [illegible] Financial Information [illegible] Enquiry Support System which [illegible] a significant challenge for a suitably qualified professional.

You'll be closely involved in the appraisal and improvement [illegible] financial management [illegible] including the ongoing development [illegible] and accruals [illegible] accounting system and [illegible] service-[illegible] introduction [illegible] centre accounting and budgetary control. Responsible for the provision of advice regarding [illegible] system requirements and [illegible] specifications you'll indentify training for [illegible] and have an important role in helping to communicate the [illegible] central management accounting service.

A Qualified Accountant, with practical experience of government and commercial accounting, the development of computer-based accounting systems and project [illegible] procedures, you will be [illegible] to quickly build [illegible] progress we've made [illegible] date. [illegible] understanding of 4GL accounting [illegible] running on relational databases would be [illegible] advantage.

Your starting salary will [illegible] between £25,327 – £28,391 (including London Weighting) depending on aptitude [illegible] experience [illegible] rising to £29,774 dependent [illegible] annual assesment of performance. You will [illegible] enjoy benefits including non-contributory [illegible] linked pension [illegible] and [illegible]

To apply please contact the Metropolitan [illegible] Service Personnel Department on 071 230 4069. Completed applications should be returned [illegible] Metropolitan Police Civil [illegible] Personnel Department, Room G04, 105 Regency Street, London SW1P 4AN, by 18th February 1994.

We are an equal opportunities employer and [illegible] applications from all suitably qualified individuals.

METROPOLITAN POLICE

Employing over 16,000 people, the Metropolitan Police Civil Staff is one of London's largest employers; providing comprehensive and essential administrative, professional, scientific and technical services throughout the capital.

Portfolio

Recently Qualified

To: £32,000 + car/benefits — [illegible] End

- Strong Academic Record

Major publishing group [illegible] energetic and lively graduate ACA [illegible] work alongside Group Finance Director. Exposure [illegible] all aspects of Group activity will [illegible] significant [illegible] development. Ideal candidates should be 'Big 6' trained [illegible] years post qualified experience gained in an industrial [illegible] commercial environment.

Contact: [illegible] Brownlow quoting Ref: FT9432A

Operational Review

£29,000 + benefits — London

- R/Q ACA
- Career development

A truly blue chip [illegible] group with substantial retail interests seeks recently qualified ACA's [illegible] join operational review [illegible]. Additional skills including languages and systems audit experience are helpful but [illegible] essential. [illegible] must demonstrate line management potential for [illegible] move.

Contact: Pippa Curtis quoting [illegible] FT9432B

Financial Services

£27,000 + benefits — City

- Hands-on Finance role
- Excellent first [illegible] from profession

Superb opportunity within world-wide Financial Services organisation for a recently qualified ACA. High professional standards, interpersonal skills and the determination [illegible] succeed [illegible] of more importance than specific F.S. experience. Seen very much [illegible] springboard to other [illegible] this [illegible] will provide a solid grounding in nuts-and-bolts accounting [illegible] well as [illegible] high level of trader contact.

Contact Jonathan Gill quoting Ref: FT9432C

Douglas Llambias Associates, 410 Strand, London WC2R 0NS, Telephone 071 836 9501, Fax 071 379 [illegible]

DLA RECRUITMENT CONSULTANTS

Finance Director

c.£50k + bonus + car
Northern Home Counties

A finance director [illegible] sought to partner the managing director in running and developing [illegible] its full potential [illegible] recently [illegible] division of [illegible] leading European fresh [illegible] manufactured food group. Turnover [illegible] £150m: customers include supermarkets, [illegible] and [illegible] food service industry. Sophisticated EDI systems link suppliers and customers. Candidates [illegible] graduate calibre qualified accountants, probably in their mid [illegible] 40s, with experience of working in a large quoted group, probably [illegible] finance director of [illegible] operating division. [illegible] commercial [illegible] as [illegible] technical excellence: in addition, [illegible] seek [illegible] good analytical brain, strong presentation skills, and [illegible] degree of computer literacy. Diplomacy, persuasiveness, and self-confidence [illegible] essential. Please reply, in confidence, with full [illegible] to Peg Eva, [illegible] adviser [illegible] company, at Thomson Partners Ltd., 1–11 Hay Hill, Berkeley Square, London W1X 7LF.

Thomson Partners
Search and Selection

MAJOR US BANK
Capital Markets
MANAGEMENT INFORMATION

c£40,000 + banking bens • London

[illegible] highly regarded and rapidly expanding major [illegible] bank wishes to strengthen [illegible] Management [illegible] appointing [illegible] Senior [illegible]

The position [illegible] a department of some 15 staff responsible for the provision of management information including budgeting, [illegible], special [illegible] analysis. Working closely [illegible] front office the individual must be [illegible] to demonstrate [illegible] product knowledge to increase the workload [illegible] the department in terms of both quality and quantity.

Applicants [illegible] qualified accountants [illegible] in their early 30's with a [illegible] qualification background in financial services.

There is [illegible] a need [illegible] Management Information [illegible] appoint [illegible] Newly/Recently Qualified [illegible]. Ideally applicants will [illegible] financial sector knowledge although this is not a prerequisite. It is [illegible] that they are ambitious, self motivated with an enquiring mind.

Please [illegible] Morgan [illegible]

the fleet partnership

Financial Recruitment Consultants
117 Newgate Street, Old Ba[illegible] EC1A 7AE
Telephone: 071-600 6500 · Fax: 071-600 6300

GROUP FINANCE

London **£33,000 + Benefits**

This important appointment is with a prestigious multinational group engaged in the manufacture of products used within the construction industry and [illegible] goods. Internal promotion necessitates the appointment of an ambitious qualified Accountant to the organisation's group finance department.

Initial responsibility will [illegible] maintenance and development of group reporting systems, including the introduction of a [illegible] consolidation system. Other responsibilities will include the review of information from operating areas and the highlighting of all major accounting/business issues.

Applications are invited from Graduate Chartered Accountants with at least two years post-qualification experience, who can demonstrate an up-to-date knowledge of technical accounting issues, relevant systems skills, an ability to communicate effectively at all levels and a determination to get things done.

The successful candidate will enjoy a strong liaison role with subsidiaries and the necessity to develop an understanding of their products/business. The outstanding [illegible] potential may lead to a senior finance appointment within an operating group in the medium term.

[illegible] reply in confidence with a comprehensive curriculum vitae, including details of current remuneration and a day time telephone number to D. E. Shribman, Hudson Shribman, Vernon House, Sicilian Avenue, London WC1A [illegible] (fax 071-404-5773).

HUDSON SHRIBMAN
financial recruitment

Finance Manager

The core business of a major plc, this multi-million pound division is achieving significant profit growth, thanks to excellent [illegible] of [illegible] service, vigorous [illegible] control and a capital investment [illegible] of over £100 million.

As part of their strategic development, the currently centralised operations are being [illegible] to [illegible] Units. Each will [illegible] a multi-discipline management [illegible] for the commercial success of the Unit.

As head of the finance function in the Northamptonshire based team, your brief is to ensure that all aspects of financial management and control within the Business Unit [illegible] effectively. Your colleagues will benefit from your expert professional [illegible] and the provision of accurate, timely financial information to support their management [illegible]. [illegible] even more than this, you will bring your broader business skills and management experience to influence the [illegible] change [illegible] required to move to the decentralised [illegible].

A graduate, qualified [illegible] in your early thirties, your track [illegible] of [illegible] will have been achieved in a culture [illegible] continuous improvement [illegible] customer satisfaction are paramount. Excellent communication, influencing and other interpersonal [illegible] will [illegible] quickly [illegible] credibility and effective working relationships, not only in the Business Unit but also at Divisional level.

The reward package (which includes relocation [illegible] where appropriate) [illegible] the importance of the role. Future opportunities for personal growth and development within the Group are excellent. Take the first step by sending a comprehensive CV (including current salary details) to Andrew Burke, Macmillan Davies, [illegible] Centre, [illegible] Street, Bristol BS1 4UX. Tel: [illegible] 251351, fax: [illegible] 254903.

commercially focused management role for an ambitious accountant

Northamptonshire

c. £32,000 plus car & benefits

Macmillan Davies

LONDON · HERTFORD · BRISTOL · LEEDS · MANCHESTER

FINANCIAL CONTROLLER
DEMANDING ROLE IN A NEW VENTURE

SOUTH HUMBERSIDE — TO £40,000 + CAR + RELOCATION

Our client is a leading American manufacturer of thermoplastic [illegible] and plastic film who, as a result of continuing expansion, is developing a manufacturing complex in the UK to [illegible] its progress in European markets.

From the start up of the operation, the successful candidate will be responsible for all financial, information systems and administrative issues relating to the management of the plant accounting [illegible]. As a key member of the factory management team, the incumbent will have executive involvement in issues central to the effective running and profitability of the plant and company.

This is a crucial role with exposure to the highest levels of management and will allow you to demonstrate fully your financial skills and commercial acumen in a pure and practical sense.

To meet this challenge it is essential that you meet the following criteria:

- Qualified Accountant, strong financial and cost accounting background.
- A minimum of five years financial management experience preferably gained within a manufacturing environment.
- Support MIS reviews, selection, implementation and [illegible].
- A robust, energetic style, and a flexible approach to meet the frequently changing business priorities.
- Excellent communication and interpersonal skills, confident and able to establish credibility at all levels.

On offer is an [illegible] remuneration package, including relocation assistance, but the opportunity to play a vital role in the future of this dynamic company.

Interested applicants should apply immediately to [illegible] Robert Walters Associates on 071-379 3333 (confidential fax 071-915 8714), or write to him at 25 Bedford Street, London WC2E 9HP.

ROBERT WALTERS ASSOCIATES

IF YOU KNOW WHAT ABSA IS YOU COULD BECOME OUR FIRST HEAD OF FINANCE & ADMINISTRATION

ABSA? The Association for Business Sponsorship of the Arts. Our role is to help [illegible] million that companies contribute to Arts sponsorship every year. And to guide Arts organisations looking for sponsorship themselves.

Our success means we now need our first head of finance and administration. You would be responsible for our financial management, for administration and for human resources. You would be part of our senior management team, reporting directly to our Director General.

Your salary would be at least £27,500. And if you are interested in the Arts, you would be working at something you really enjoy.

For application forms and further details please write to:

Sally Donegani, ABSA, Nutmeg House, 60 Gainsford Street, London SE1 2NY. The closing date for receipt of applications is 10th February.

ABSA strives to be an equal opportunities employer.

ABSA is a registered charity.

Finance Director

Central London — £45,000 + Bens

The Business:
A rapidly growing retail group with a luxury quality product range.

The Role:
A key Board appointment as Finance Director to strengthen the management team.

The Challenges:
To manage the financial control and information [illegible], to implement and manage integrated systems and controls, and to give significant input to strategic development of the business.

The Candidate:
A graduate qualified accountant with [illegible] experience covering management and financial reporting, MIS, treasury and financial control. Experience of change management in a retail or related [illegible] is strongly preferred. Business acumen, focus and drive are essential to achieve the above, as is a well balanced, creative management style.

Please send a full CV to Pippa Curtis, Douglas Llambias Associates, 410 Strand, London [illegible] 0NS. Tel: 071 [illegible] or Fax 071 [illegible] 4820 quoting ref FT9432PC.

RECRUITMENT CONSULTANTS

C F A

CHRYSSAPHES FLAMMIGER ASSOCIATES

SPECIALISTS IN SEARCH & SELECTION FOR FINANCE MANAGEMENT

High Level Focus and Project Leadership Skills

Group Management Accountant

Late 20s/Early 30s — *c. £40-45,000+Bonus+Car* — *East Anglia*

Our [illegible] is a major UK [illegible] group employing over 10,000 in the UK alone, and a [illegible] within the [illegible] in which it [illegible].

As part of a programme to further improve its financial reporting and controls, an exceptional young [illegible] individual is sought for the newly [illegible] of Group Management Accountant. The primary aim will be to act as a project leader and [illegible] in evaluating and effecting change in the quality, structure and consistency of the Group's management reporting [illegible] different [illegible] divisions, against a background of new MIS systems being introduced.

You will [illegible] to forge [illegible] relationships with fellow managers [illegible] the Group, [illegible] their support, "setting agendas" and ensuring [illegible] follow through. Overall, you will act as the "focal point" for receipt of management [illegible] and information from [illegible], undertaking analysis, gaining [illegible] for material [illegible] from budget, and providing comprehensive and timely [illegible] reporting to the Group [illegible] Controller and [illegible].

You will be a graduate, qualified [illegible] with [illegible] computer [illegible], having hands-on familiarity with larger [illegible] reporting requirements, [illegible] experience of forecasting techniques. You will possess an analytical and questioning mind, able to monitor and [illegible] complex data, [illegible] the maturity and inter-personal [illegible] to influence [illegible] change. You will [illegible] the potential to move on from this highly visible stepping-stone into a line [illegible] role [illegible] 2 to 3 years.

In addition to a [illegible] comprehensive [illegible] if appropriate. Our [illegible] is an equal opportunities employer and is happy to [illegible] applications from registered [illegible] persons.

You should write, enclosing a resume together with [illegible] remuneration details and daytime/evening telephone contact numbers, quoting reference 401/8 on both envelope and letter, to the address below.

Chryssaphes Flammiger Associates, [illegible] House, [illegible] Hammersmith Road, London W6 8DP.

JAQUES & LEWIS
SOLICITORS

LONDON · BRUSSELS · PARIS · [illegible] · [illegible]
ROTTERDAM · [illegible] · ISLE OF [illegible] · JERSEY

CITY — **FINANCIAL CONTROLLER** — TO £35,000

Jaques & Lewis is a medium-sized firm of commercial lawyers [illegible] in London, Brussels, the Isle of Man and Jersey. The firm has grown strongly [illegible] recent years by developing new practice areas and through international expansion and is moving in March to superbly equipped [illegible] in the City.

The firm has four [illegible] departments: Company and Commercial, Property, Litigation and International Private [illegible]. In addition, there are a series of well respected specialist teams offering a comprehensive range of services to clients.

An outstanding opportunity now exists for a Financial Controller to join the [illegible] department, reporting to the Director of Finance and Administration.

Your primary responsibility will be the day to day management of the finance team, supervising [illegible] staff and controlling all aspects of financial reporting, covering both UK and international offices. This position will also have a key role to play in the [illegible] development of the accounting systems environment.

The ideal candidate will be a Chartered Accountant with 2/4 years' post qualification experience. A high degree of technical ability, computer literacy and professional [illegible] will be required. Prior experience of partnership accounting is desirable.

Relevant candidates, aged between 27-32, should contact Jon Boyle ACA immediately at Robert Walters Associates, 25 Bedford Street, London WC2E 9HP. Telephone 071 379 3333. Fax 071 915 8714.

ROBERT WALTERS ASSOCIATES

FT/LES ECHOES

Banque de gestion et de marchés à Paris,
filiale d'un groupe bancaire de premier plan recherche son

TRÉSORIER
Responsable des marchés de taux d'intérêt

Au-delà des fonctions classiques liées à la trésorerie (opérations de refinancement, gestion et optimisation de la liquidité, suivi et respect des ratios réglementaires), il développera les activités de la banque sur le créneau d'opérations sur mesure (opportunités d'arbitrages sur [illegible] les produits monétaires bilan et hors-bilan, montage et développement d'opérations pour compte propre et de produits structurés pour la clientèle) grâce à une solide expérience et une excellente maîtrise des techniques [illegible] en usage sur les marchés français et étrangers.

Dynamisme, créativité et communication [illegible] des atouts indispensables pour [illegible] dans ce poste. Age souhaité : 32 / 37 ans.

La rémunération [illegible] fonction de l'expérience (fixe + partie variable).

Merci d'adresser CV et lettre manuscrite à notre conseil :

FRANÇOIS MICHAU CONSEIL, Banque Finance

21 rue Tronchet, 75008 Paris, France Tél. (33.1) 42.66.97.44 - Fax. (33.1) 49.24.97.36

BOURNE END PROPERTIES PLC

CHIEF ACCOUNTANT/ COMPANY SECRETARY

A fast expanding quoted London based property group [redacted] Chief Accountant/Company Secretary.

The Group [redacted] looking for [redacted] qualified accountant with [redacted] minimum of 3-4 years P.Q.E. with the ability to communicate at all levels and [redacted] motivate a small accounting department.

There is potential for rapid career advancement for the candidate with [redacted] right ability and motivation in an exciting environment.

The appointment offers [redacted] negotiable salary plus the usual benefits including [redacted] company car.

Please send your details to:
The Finance Director,
Bourne End Properties Plc,
1 Bridge Lane,
London NW11 0EA
(Please quote Ref: P21).

UK AND INTERNATIONAL FINANCIAL MANAGEMENT OPPORTUNITIES

LONDON **LAGOS** **ST PETERSBURG** **MOSCOW**

Our client is a highly successful international trading organisation working within a number of rapidly expanding f.m.c.g. markets. The group is enjoying a phenomenal rate of growth [redacted] business activity which is particularly marked in the emerging markets of the Former Soviet Union and other Eastern European States.
The company [redacted] needs to make a number of strategic appointments [redacted] strengthen the financial management team, both in the UK and [redacted]

Financial Controllers – London c. £35 – 40K + Car

[redacted] Head Office, [redacted] UK and an International Financial Controller [redacted] required. Key challenges will include the development of effective financial reporting, management control systems, implementing budgeting and strategic planning [redacted] and the development of a proactive finance department.
[redacted] 3361

Project Accountant – London c. £35K + Car

The role will involve [redacted] wide range of project oriented accounting activities and financial analysis [redacted] underpin and support the business decision making process.
[redacted]

Commercial Finance Managers Expatriate Packages

Based in Lagos, [redacted] Petersburg and Moscow, Commercial Finance Managers are needed [redacted] play [redacted] pivotal role in controlling and developing profitable business and implementing sound financial management procedures in exciting but demanding trading [redacted].
Ref: 3363

Project Accountant Moscow

This is [redacted] key role to help establish and run manufacturing facilities in Moscow. Candidates should be qualified [redacted] with [redacted] significant amount of f.m.c.g. manufacturing experience.
[redacted]

Applicants should be qualified [redacted] (ACA, ACCA, CIMA) or MBA's, probably aged in their 30's. Prior international experience [redacted] mandatory but applicants must possess a professional approach coupled with strong commercial skills and the ability [redacted] communicate effectively. Russian language skills would be [redacted] advantage. Attractive [redacted] and expatriate packages [redacted] be offered (single or married status). Interested applicants should send a comprehensive c.v. including current salary and daytime telephone number [redacted] Phillip Price ACA, quoting reference(s), [redacted] Touche Ross Executive Selection, Friary Court, [redacted] Crutched Friars, London EC3N 2NP.

Touche Ross

MANAGEMENT CONSULTANTS

Coopers & Lybrand Executive Resourcing

Financial Controller

WEST OF LONDON M4 CORRIDOR **£35,000 + CAR + BENEFITS**

Our client has achieved recognition and acclaim throughout the world and has gained [redacted] universal reputation for the quality of its output and the excellence of its service. The company is a major processor of motion picture film with substantial operating facilities in Europe and North America. It is an autonomous operating subsidiary of a highly successful multi-national quoted group.

As Financial Controller of the UK operations you will, in managing a small team, assume responsibility for the day to day finance functions which will include the provision of accurate and meaningful information on a timely basis to local management and corporate headquarters. Working closely with the Director of Finance, an early objective will be to manage the implementation of a newly developed management information system, and the further development of [redacted] reporting essential to secure the key information to plan and control the commercial success of the [redacted]

You are likely to be a graduate Chartered Accountant with well developed technical skills and business acumen. [redacted] you will have gained relevant [redacted] post-qualifying experience in a commercially strong, high technology manufacturing organisation. You should be capable of managing and developing the finance/accounting function in an effective and economic manner and be able to apply creative and practical solutions to ongoing and developing issues. An enthusiast and team player, you must have the appropriate interpersonal and entrepreneurial skills and personality to handle the rigours of a demanding and fast moving business enjoying considerable growth and change.

Please send full personal and career details, including current remuneration level and daytime telephone number, in confidence, to Adrian Edgell, Coopers [redacted] Lybrand Executive [redacted] Limited, [redacted] Greyfriars Road, Reading RG1 1JG quoting reference AE889 on both envelope and letter.

FINANCE DIRECTOR

OPPORTUNITY TO CREATE AND DEVELOP THE FINANCIAL STRATEGY FOR A NEW HOUSING ASSOCIATION

SALARY C.£37K PLUS CAR **MID BEDS**

[redacted] new Housing Association [redacted] an exciting challenge [redacted] professionals wishing [redacted] be part of our development as a major provider of [redacted] housing in [redacted] full support of [redacted] existing [redacted] in [redacted] 3,000 homes, [redacted] are aiming [redacted] provide [redacted] highest quality [redacted] housing service for them and for [redacted] prospective [redacted] need [redacted] with a commitment to excellence and the vision and enthusiasm to achieve our objectives.

The Financial Director will be an important member of our corporate management team, responsible for the planning and implementation of [redacted] Association's financial strategy to ensure that we maximise our opportunities for growth and maintain our objectives on service delivery. Key areas of the job will include high-level advice on funding for new schemes, [redacted] achievement of [redacted] targets, [redacted] implementation of IT systems for the whole Association and management of a small team.

Candidates should [redacted] qualified [redacted] with several years' experience [redacted] senior level.

A relocation package will be available. For further information [redacted] job package, please telephone Margaret Nichols, telephone 0767 313137 ext. 224.

Please apply by letter enclosing [redacted] full CV to: Mr Tim Eastaff, Chief Executive, Mid Beds Housing Association, The Limes, 12 Dunstable Street, Ampthill, Beds MK45 2JU.

The closing date for applications [redacted] 17th February and the first interviews will be held on 24th February.

We are an equal opportunities employer [redacted] operate [redacted] 'no smoking' policy.

MID-BEDS HOUSING ASSOCIATION

Coopers & Lybrand Executive Resourcing

Group Financial Controller
Communications Industry

LONDON **c.£35,000 + CAR + BENEFITS**

For this rapidly expanding and innovative company at the leading edge of the communications industry. The financial backing of a major international group is reflected in the significant capital investment being made. Turnover for the [redacted] is rapidly approaching £100m, having doubled each year since 1991 and this growth is expected to continue over the next five years.

Reporting to the Financial Director, you will manage a small head office team and assume responsibility for the group's financial and management accounting functions, including all consolidation and group and statutory reporting. Initially the emphasis will be on further developing and improving existing group financial systems.

[redacted] chartered accountant, aged around 30 and trained in a leading firm, you should possess broad based financial skills which have been honed by a number of years in a fast-moving, blue chip commercial environment. Previous experience of operating within a disciplined and structured environment and working to tight reporting deadlines is essential. This is most likely to have been gained at the operating level within a major group or from within a central group role. Your approach is as important as the abilities you bring to the role. [redacted] 'hands-on' and enthusiastic individual, you should be self-sufficient with the initiative to achieve results in this fast changing environment. [redacted] working knowledge of French would be a distinct advantage.

Please send full personal and career details, including current remuneration and daytime telephone number, in confidence to Ann Shepherd, Coopers & Lybrand Executive Resourcing Ltd, 1 Embankment Place, London WC2N 6NN, quoting reference [redacted] on both envelope and letter.

AMP of Great Britain Limited

FINANCIAL ACCOUNTING MANAGER

N.W. London **Circa £37,500 + Car**

AMP Incorporated, a $3.5 billion global operation, designs and supplies state of the art electrical and electronic interconnection systems – the essential devices at the heart of a vast range of products used in most spheres of modern day activity.

Here in the UK, AMP of Great Britain operates as an autonomous subsidiary from four sites, generating [redacted] turnover of £120 million. We are currently seeking a Financial Accounting Manager to join us as part of a closely knit finance team and to make a tangible contribution to the Company's continued growth.

Ideally, you will already be running a department in a company with at least £30 million sales, or perhaps be a No. 2 ready to progress to a bigger challenge. Certainly, you will already be playing [redacted] key role and be able to demonstrate a successful track record in the development of the business. The key attributes are the ability to manage and motivate others and a personal commitment to IT, as [redacted] major part of the brief will be to introduce new systems and ensure the confidence of the department in their use. From [redacted] manufacturing or engineering background, you will be [redacted] accountant and have well rounded experience in all aspects of financial control and reporting, as well as [redacted] thorough knowledge of current standard costing techniques.

If you are aged at least 35 and can combine natural man-management skills with strong business acumen, an enthusiastic, hands on approach and [redacted] commitment to TQM, this is an opportunity to develop within a global organisation in which talent is recognised and rewarded. In return, we offer [redacted] salary in the region of £37,500 pa, a quality car and benefits package.

To apply, please write with your CV, explaining in a covering letter how you meet the above requirements, to Richard Fereday, Company Human Resources Manager, AMP of Great Britain Limited, Merrion Avenue, Stanmore, Middlesex HA7 4RS.

Coopers & Lybrand Executive Resourcing

Director of Finance

LEICESTERSHIRE **£30,000 + BONUS + CAR**

Turnover in this progressive and successful manufacturer has now risen to some £10 million and continues to rise on the back of product innovation, quality and a strong customer care policy. Its blue chip customer base is strong and growing.

The new position of Director of Finance is now being established which will report directly to the Managing Director. Accent in the role will be on new systems implementation, ensuring that all appropriate financial controls exist or are established and, finally, a commercial input to the decision making process of the company is needed.

You should be a graduate qualified accountant with hands-on experience of systems implementation in a progressive manufacturing environment where you have been able to demonstrate commercial skills as well. You [redacted] also be able to demonstrate good communication and people motivation skills.

Please send full personal and career details, including current remuneration level and daytime telephone number, in confidence to John Elliott, Coopers [redacted] Lybrand Executive Resourcing Limited, 43 Temple [redacted] Birmingham B2-5JT quoting reference JE260 on both envelope and letter.

GROUP FINANCIAL DIRECTOR
FLUENT FRENCH

SUBSTANTIAL REMUNERATION PACKAGE £50-£70K

This is the senior financial appointment in a multi-national PLC headquartered in Folkestone, Kent with locations in the UK, US and France.

The group is growing fast and trades in 40 currencies. The successful applicant will need to show strong accountancy control, treasury management, business strategy and multi-national team leadership abilities.

There are promotion possibilities to general management and for this reason we would prefer [redacted] candidate around 45 with the experience, knowledge and personality to help push forward the growth of a £400M turnover group.

Written applications in the first instance to:
Bryan C Ingleby, Group Chief Executive,
c/o Dawson Advertising Ltd, 1 Cresswell Park,
Blackheath, London, SE3 9RD.

UK and German responsibilities

INTERNAL AUDITOR
-RETAIL BANKING

Base Pay c£24K + Bonus + Car

[redacted] you are looking for [redacted] company which [redacted] growing, increasingly profitable and can offer you the opportunity to develop your knowledge and expertise [redacted] can help you.

[redacted] are based in the UK but have internal audit responsibility for [redacted] German affiliate company.

[redacted] in Germany [redacted] the UK will be required so where you reside is not a consideration. Obviously excellent verbal and written German is essential and [redacted] knowledge of the German banking industry would be advantageous.

In addition to the package quoted other benefits include private medical cover, share participation schemes, life assurance, pension plan (after qualifying periods).

Please send a full CV to: Mr A Cummings, Audit Manager, Beneficial Bank plc, PO Box 31, 4 Lower Mounts, Northampton NN1 3DB.

Beneficial Bank PLC

QUALIFIED GROUP FINANCIAL DIRECTOR
SOUTH LONDON

- Group Turnover £11.5m
- Manufacturer and distributor of building services equipment
- Strong willed highly motivated individual needed who will be directly responsible to Group Chief Executive.
- Must have good communication skills
- L. A. N. systems experience

Send CVs to: G C Pillinger & Co., 602 Purley Way, Croydon, Surrey CR9 4DP

APPOINTMENTS WANTED

ASSIGNMENTS WANTED MANAGEMENT ACCOUNTANT IN PRACTICE

FCMA (40) practising Cert. Systems Degree. Own Ltd. firm. IT financial control, project accounting, activity based costing, product and customer profitability improvement, systems development.

TEL: 081-402 1774

FINANCIAL/PERSONNEL DIRECTOR

Experienced Chartered Accountant from privately owned service industry group. Good track record of systems implementation, budgetary control, investment appraisal, fund raising, forecasting, insurance and pension scheme administration. Excellent staff development and communication skills. Seeking permanent post but short-term assignments anywhere within UK or overseas considered.

Write to: Box B2260, Financial Times, One Southwark Bridge, London SE1 9HL.

The Top Opportunities section appears every Wednesday. For more information please ring Philip Wrigley on 071-873 3351.

A part of Severn Trent plc

MANAGEMENT ACCOUNTANT

[redacted] Waste Services Limited, part of Severn Trent plc, are [redacted] of the leading [redacted] management companies, in the UK market today.

a vacancy has arisen for a Management Accountant who will be based at the company's head office [redacted] High Wycombe. Reporting [redacted] the Chief Management Accountant the successful applicant will [redacted] responsible for the production and reporting of the [redacted] for [redacted] Collection Division which has a [redacted] of [redacted] per annum.

The role is very much hands on, and key tasks will be:

- *Production and presentation of trading statements to operational management*
- *Balance sheet [redacted]*
- *Training of operational management and reporting staff*
- *De[redacted] of [redacted]*
- *Assisting Chief Management [redacted] with projects relating to other company [redacted]*
- *Deputising for Chief Management Accountant*

[redacted] position involves the supervision of five staff [redacted] considerable [redacted] line management, it is therefore necessary [redacted] candidates possess excellent communication [redacted] man management skills. [redacted] addition, candidates [redacted] have [redacted] minimum of [redacted] years post qualification experience within a financial/management [redacted] environment.

Applications [redacted] only invited from [redacted] who [redacted] need to relocate [redacted] order [redacted] take [redacted] the position. A company [redacted] and attractive salary form part of the package, together with [redacted] usual [redacted] of benefits associated with a large and successful company.

Applications should [redacted] in writing, quoting current salary to:-

[redacted], Personnel Officer, [redacted] Waste Services Limited, Coronation [redacted], Cressex, High Wycombe, [redacted] 3TZ.

Biffa WASTE SERVICES

[redacted] WASTE SERVICES [redacted] AN EQUAL [redacted]

Insurance

HEAD OF FINANCE

Leeds — **[redacted] £50,000+bonus+benefits**

A new direct writing insurance company specialising [redacted] non-standard motor and household policies is being [redacted] up [redacted] joint venture basis by Peter Wood, founder of Direct Line and The Royal Bank of Scotland Group.

In the position of Head of Finance you will report direct to the Chief Executive and be one of the small core team which will work up the Company's plans and turn them [redacted] operational reality. You will face three immediate challenges: [redacted] put in place robust financial systems; to control the Company's accounting function and statutory reporting; and [redacted] control management information flows and forecasting. In addition, you will play a leading role in relationships with regulatory bodies and other key professional groups.

A Chartered Accountant, you will have [redacted] minimum of 10 years post-qualification experience at least some of which will have been in the financial services sector, ideally in insurance. A precise analytical thinker, you will be [redacted] team worker with [redacted] strong resilient character and [redacted] commitment [redacted] Highly IT literate, you will have first class written and oral communication skills.

In return you can expect an exceptional financial package with a basic annual salary of around £50,000, performance related bonus, executive car and a full [redacted] of financial services sector benefits.

To apply please write with full personal and career details, including an indication of salary, to Tony Potter, Firbeck Associates, 5 Home Farm Court, Wortley, [redacted] 7DT.

FIRBECK
associates

FINANCIAL CONTROLLER

Finance/Leasing/Banking

Southern England — **c.£46,000 + benefits**

This is an outstanding opportunity to earn a financial directorship with the wholly-owned leasing arm [redacted] manufacturing group.

Our client [redacted] forefront [redacted] a major marketing initiative to expand its [redacted] in the European [redacted] post [redacted] Financial Controller [redacted] in [redacted] to optimise [redacted] profitability of [redacted] UK operation through effective financial planning and analysis, tax-avoidance [redacted] asset-management techniques.

Reporting [redacted] Managing [redacted] and working very much [redacted] a proactive member of the senior management team, the [redacted] candidate is likely to [redacted] aged [redacted] 30 and [redacted] who [redacted] in a similar position at the [redacted] and currently in [redacted] of [redacted] challenge, [redacted] a less senior role but shows strong leaning to [redacted] and [redacted] aspects of [redacted] accounting [redacted] have a more direct influence on [redacted] path of [redacted] her [redacted] employer.

A first-class salary [redacted] benefits package is being offered, together with relocation assistance [redacted] appropriate.

BUCKINGHAM ASSOCIATES

To discuss this position in [redacted] detail, please telephone Tony Williams [redacted] Andrew Neatby-Smith [redacted] 8677 (24 hours).

Responding to Human Resourcing Needs Across Europe

Foley House 12A Maddox Street London W1R 9PL Tel: [redacted]

COMPANY ACCOUNTANT,
London (French spkr) c.27K

Well-established, int'l exclusive jeweller, small mngmt team.
Must be qualified + speak French.

LINK LANGUAGE APPOINTMENTS
071 408 2150

CREDIT SUISSE FINANCIAL PRODUCTS

OPERATIONAL REVIEW

LONDON — **$EXCELLENT**

Credit Suisse Financial Products has achieved outstanding [redacted] the highly competitive derivative product services market and [redacted] renowned [redacted] creativity.

Growth in the business has resulted in a need for two additional members of the internal audit department, working closely with senior management and front office in reviewing all areas of risk. These positions represent ideal entry points to the Bank and will provide candidates with excellent career development and training within this market.

Financial Auditor

Focusing primarily on key business areas, the role includes the review of pricing and valuation models and of market risk. The department actively seeks opportunities to add value and the departmental structure ensures that team members gain rapid exposure to a broad range of products and markets. The position provides excellent career progression throughout the Company.

[redacted] should ideally be ACA qualified [redacted] up to 18 [redacted] qualification experience, but candidates awaiting results will be considered if they have a strong academic background. Some financial services experience [redacted] essential.

EDP Auditor

Credit [redacted] Financial [redacted] to innovative products [redacted] backed by major investment in state-of-the-art systems. The EDP [redacted] focuses on the development of [redacted] highly complex infrastructure and [redacted] applications, reviewing new technology and techniques and their impact [redacted] and controls.

Coming from public practice, IT consultancy [redacted] another financial institution, experience should include exposure to UNIX and VMS operating systems and applications systems development. Also essential is proficiency in the use [redacted] and interrogations.

A competitive salary, performance related bonus and full banking benefits are offered. Interested applicants should contact Deborah Campion on 071 329 4649, or during the evenings and weekends on 081 876 5333. Alternatively send or fax your CV quoting ref 050.

SEARCH & SELECTION
OLD BAILEY HOUSE, 7 OLD BAILEY, LONDON EC4M 7NB. TEL: 071-329 4649 FAX: 071-329 4677

ACCOUNTANT £30-35,000

Our client, [redacted] Williamson, a highly regarded [redacted] expanding [redacted] offering the [redacted] accountants, and [redacted] privately [redacted] seeking an experienced [redacted] join their [redacted] department.

THE ROLE

Reporting [redacted] the Finance Director, you will [redacted] all [redacted] management accounting and [redacted] with [redacted] responsibility [redacted]

- preparation of monthly management [redacted]
- providing management information [redacted] partners
- budgeting [redacted]
- control of billing and time recording [redacted]
- monitoring working capital [redacted]
- VAT [redacted] PAYE systems and reporting
- supervision of [redacted] staff

PROFILE

- probably [redacted]
- experience of time charging systems and [redacted] management reporting
- [redacted] experience [redacted] of both partnership and [redacted] accounts
- [redacted] working knowledge in particular of VAT and PAYE - FSA experience would also be of [redacted]
- although [redacted] essential, [redacted] professional CIMA, [redacted] CACA qualification preferred
- computer [redacted] with good experience [redacted] (preferably [redacted]
- a self-starting, [redacted] player, with [redacted] and management skills

[redacted] and their detailed CV's [redacted]
The Bloomsbury [redacted]
Second Floor, Bedford [redacted]
Covent Garden, London WC2E 8HA.
Fax No. 071 240[redacted]
[redacted] reference 1943.

THE BLOOMSBURY GROUP

MS

FINANCIAL CONTROLLER SHIPPING

CENTRAL LONDON — **TO £40,000**

A rapidly growing ship management company acting exclusively for [redacted] principals [redacted] seeking a Financial Controller to [redacted] the financial management and accounting functions of [redacted] fleet and [redacted] office.

Candidates should [redacted] qualified [redacted] aged [redacted] shipping experience, computer literacy and good manage[redacted] skills. This is [redacted] excellent opportunity for the right candidates [redacted] and ambition.

[redacted] apply in writing quoting reference [redacted] (closing date 17 February 1994) enclosing [redacted] and salary [redacted]

[redacted] Stephens, St. Paul's [redacted]

MOORE STEPHENS
CHARTERED ACCOUNTANTS

CIMA

GET RESULTS!

Become part of the success story ...

To [redacted] alongside the CIMA [redacted] (appearing on the 10th February) Call:

Andrew [redacted] on [redacted] 873 4054

ACCA

The Chartered Association of Certified Accountants

International Relations Officer

Central London — *To £30,000 + Benefits*

Are you [redacted] graduate accountant with:

- *a positive interest in international affairs and overseas work experience*
- *some experience of dealing with government institutions or professional bodies*
- *[redacted] working knowledge of French and preferably another European language?*

The ACCA is one of the world's leading accountancy bodies with over 140,000 members and students located in 130 countries. The range of international activities includes the maintenance of relations with overseas accountancy bodies, the monitoring of technical and professional developments and the provision of [redacted] range of services to members and students. The ACCA is providing valuable consultancy expertise to foster the emerging accountancy profession in Eastern Europe and China.

The ACCA seeks an International Relations Officer whose tasks will include:

- enhancing the recognition of the ACCA in targeted countries, including the USA, Canada and Australia, and liaising with local contacts.
- assisting with the development of strategies to increase awareness of the ACCA in Western Europe.
- participating on an ad hoc basis in the ACCA's projects in emerging /developing economies.
- contributing to other areas of international operations including bi-lateral committees and the maintenance of good working relations with accountancy bodies, ACCA branches and other institutions outside the UK.

[redacted]ing and challenging position with an attractive salary and benefits package. If you are interested please write to John Gregory, Search and Selection Division, Breckenridge Consultants Limited, Charter House, 426 Avebury Boulevard, Central Milton Keynes,MK9 2HS, quoting ref. 234/FT.

BRECKENRIDGE
CONSULTANTS • LIMITED

OILFIELD ACCOUNTANT

An independent oil [redacted] a field accountant [redacted] its operations in [redacted] Union.

[redacted] should [redacted] the following:

- [redacted] C.A. [redacted] equivalent.
- Minimum five years experience in upstream [redacted] production.
- Familiarity with J.V. accounting, [redacted] systems, [redacted] accounting practices.
- Willingness to work in the field [redacted] week on / 2 week off basis.

[redacted] will [redacted] given to those candidates [redacted] to speak [redacted] to communicate effectively with [redacted]

This [redacted] opportunity [redacted] self-motivated individual [redacted] make [redacted] significant contribution as part [redacted] growing team.

If you have the necessary qualifications and experience please write with a full CV and with details of your present [redacted] to:

[redacted] Oilfield [redacted] Limited
Elm Barn, Cold Aston, Cheltenham GL54 3BJ England
Fax [redacted] 820332

Director of Finance and Administration

c.£37,000

This new post has [redacted] created to support the development [redacted] Edinburgh's Telford College as [redacted] move [redacted] in [redacted] post-Incorporation period. [redacted] a budget of around £15M, 800 [redacted] 14,000 students, [redacted] College [redacted] of [redacted] largest in [redacted] undergoing rapid change [redacted] growth. This [redacted] an exciting opportunity for an [redacted] manager [redacted] contribute [redacted] the College's continuing [redacted]

Reporting to the Principal and Chief Executive, you will provide strategic direction [redacted] the management of financial planning and [redacted] that the administrative [redacted] requirements. These functions will be [redacted] out through [redacted] management of [redacted] Finance, Administration, Stores, Payroll and Janitorial services.

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For further [redacted] an application form, please apply to [redacted] Personnel Section on 031-332 2491 [redacted] 30am [redacted] 4.35pm. Closing date for applications [redacted] Friday [redacted] 11th February 1994.

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ROBERT WALTERS ASSOCIATES

FINANCIAL TIMES
COMPANIES & MARKETS
Friday February 4 1994

IN BRIEF

Rise and fall of an Audi chairman

It the turn of Mr Franz-Josef Kortüm, the soon-to-be-ex-chairman of Audi, in the revolving door, raising once again the question: who's next? Page 18

Canadian telecoms fight intensifies
The struggle for supremacy in the fast-changing multimedia business in Canada has intensified, with Rogers Communications proposing a "strategic merger" [illegible] Hunter. Page 20

Clouds [illegible] Intel's horizon
Intel, the US semiconductor maker, [illegible] sparkling [illegible] financial results. But [illegible] gathering. Page 20

Optimism in US steel
"Big Steel" – the collective name given to the six big integrated steelmakers in the US – has a long way to go to justify the optimism that has driven share prices ahead. Page 21

Bouyancy in Saudi banks
The first rash of Saudi banks reporting 1993 figures has shown continued buoyancy – but analysts are cautioning that economic pressures are almost certain to trim profits. Page 19

Three drivers for Finland

Finland has begum 1994 as it ended 1993, as western Europe's top performing stock market. Already the Hex index has risen 33 per cent this year, eclipsing the optimists' wildest expectations. Three factors are driving the market: interest rates, economic optimism and [illegible] b[illegible]. Most analysts expect the Hex to overtake its all-time high within weeks. Back Page

Privatisation fund oversubscribed
The public offer for Kleinwort Benson's European Privatisation Investment Trust was more than £380m oversubscribed, confirming its position as the largest UK investment trust launch ever. Page 18

UK property group floated
Transatlantic Holdings, the UK life assurance and property group, is to float off its retail property portfolio [illegible] Capital [illegible] Centres, which will become one of the seven largest listed property companies [illegible] the London stock exchange. Page 18

United Newspapers expands in Asia
United Newspapers, UK publisher of the Daily and Sunday Express, yesterday acquired a Hong Kong trade fair group as part of its strategy of expanding in east Asia. Page 24

Reject Shop sold
Reject Shop, the UK furniture and household goods retailer, is to be sold. Page 24

Companies in this issue

Market Statistics

Chief price changes [illegible]terday

FRANKFURT (DM)			
Rises			
Porsche	820	[illegible]	11
Falls			
BMW	777.5	–	[illegible]
[illegible]	[illegible]	–	[illegible]
Deutsche Bk	834	–	17
Lahmeyer	710	–	[illegible]
Viag	478	–	[illegible]
NEW YORK ($)			
Rises			
Ford	66¾	+	1
Gap Stores	41¼	+	¾
Falls			
Bankers Trust	[illegible]	–	1⅛
Chemical Bank	[illegible]	–	[illegible]
First Inter	67	–	1¾
Woolworth	[illegible]	–	[illegible]

PARIS (FFr)			
Rises			
Geophysique	623	+	30
SILIC	[illegible]	+	[illegible]
Falls			
AGF	[illegible]	–	[illegible]
Cred Lyon	837	–	[illegible]
[illegible]	803	–	26
[illegible]	[illegible]	–	[illegible]
TOKYO (Yen)			
Rises			
Japan Digital	4020	+	[illegible]
Nissan Motor	855	+	14
Falls			
Fujitsu	[illegible]	–	20
Honda Motor	[illegible]	–	[illegible]
[illegible]	3200	–	110
NEC	1040	–	20

New York prices at 12.30.

LONDON [illegible]			
Rises			
Antofagasta	1770	+	[illegible]
Caffyns	[illegible]	+	40
Carrentone	109	+	[illegible]
Chrysalis	128	+	[illegible]
Cluff Res	[illegible]	+	10
Creston	[illegible]	+	2½
Dyson (J&J) &	[illegible]	+	[illegible]
Enviromed	[illegible]	+	[illegible]
Firth (GM)	[illegible]	+	5½
Flextech	[illegible]	+	30
Gibbs Dandy A	[illegible]	+	5
Henderson Adm	1193	+	73
Heritage	103	+	12
Lambert Hwth	[illegible]	+	50
[illegible]	157	+	17
News Intl Sp Div	[illegible]	+	21
Quadramatic	215	+	17
Sage	563	+	[illegible]
Trafford Park	104	+	7
Falls			
Brit Aerospace	553	–	[illegible]
Euro Disney	376	–	[illegible]
Proteus	[illegible]	–	31
Reject Shop	38	–	[illegible]
Trans World	1[illegible]	–	[illegible]

KLM seeks Fl 1bn to cut debt

By Ronald van de Krol in Amsterdam

KLM Royal Dutch Airlines yesterday unveiled plans to raise almost Fl 1bn ($513m) through a global offering of about 20m ordinary shares.

The Dutch government, which owns 38.2 per cent of KLM, is to maintain its holding by participating in the issue and by buying preference shares. It is estimated that the state would contribute at least Fl 370m.

The [illegible] help [illegible] long-term debt [illegible] Fl 6.3bn and give the group scope to invest.

The announcement of the long-[illegible] share issue, scheduled for March, coincided with news that the Dutch flag carrier swung into a net profit of Fl 15m for the third quarter of this year from a loss of Fl 437m a year ago.

The results, [illegible] the [illegible] months to December, were better than expected, while the size of the share issue was at the top end of analysts' expectations.

KLM, with a market value of around Fl 2.5bn, had been hinting at an [illegible] ever since the collapse in November of its plans to merge with Swissair, Scandinavian Airlines System and Austrian Airlines.

The return to profit in the third quarter, which covers the traditionally weak months of October-December, is due mainly to the fact that KLM no longer carries its 20 per cent stake in Northwest Airlines on its book.

In the corresponding period of 1992-93, the Dutch airline took a large extraordinary charge to write down the remaining book [illegible] investment in Wings Holdings, Northwest Airline's parent company.

Its [illegible] to drop [illegible] from [illegible] international expansion plans in favour [illegible] US partner, [illegible], was a prime [illegible]son for the failure of the four-way European airline merger.

The third-quarter improvement [illegible] cost-cutting [illegible]. Salaries and related [illegible] 7 [illegible] cent, due partly to a [illegible] year "holiday" on pension premium contributions.

Overall, operating [illegible] were barely changed at Fl 2.02bn, even though capacity rose 12 per cent. Revenue [illegible] 7 [illegible] Fl 2.1bn. Traffic growth [illegible] 17 [illegible] but [illegible] in yields was limited [illegible] 8 per cent [illegible] of competition and a shift in demand to tourist class.

Citing the seasonal nature of airlines, KLM said [illegible] expected a loss in the fourth quarter ending March 31. But it repeated earlier forecasts of a "modest" full-year profit. [illegible] profit in the first three quarters totalled Fl 260m, a reversal of the Fl 229m loss last year.

Vard shares hit as US investor pulls out of deal

By Karen Fossli in Oslo

AEA Investors, a US [illegible] company, sent the shares of Vard, the loss-making Norwegian cruise ship and ferry operator, tumbling yesterday by announcing the withdrawal of its $565m bid to acquire [illegible] Vard's cruise lines.

Vard's shares fall 21 per cent to NKr51 in active trading on the Oslo bourse after being the second most traded share on Wednesday when they rose NKr4.50 to [illegible].

The collapse of the AEA deal is the second time Vard has failed to conclude asset disposals in recent months. AEA and Vard had hoped to complete the deal, involving Royal Viking Line and Royal Cruise Line, which respectively operate [illegible] and three [illegible] mainly on [illegible] for [illegible] holidaymakers, by this [illegible].

AEA, a privately held [illegible] and [illegible] buy-out investment [illegible] said it had decided not to pursue the transaction having concluded that its investment goals for the two [illegible] lines could [illegible] within [illegible] proposed [illegible].

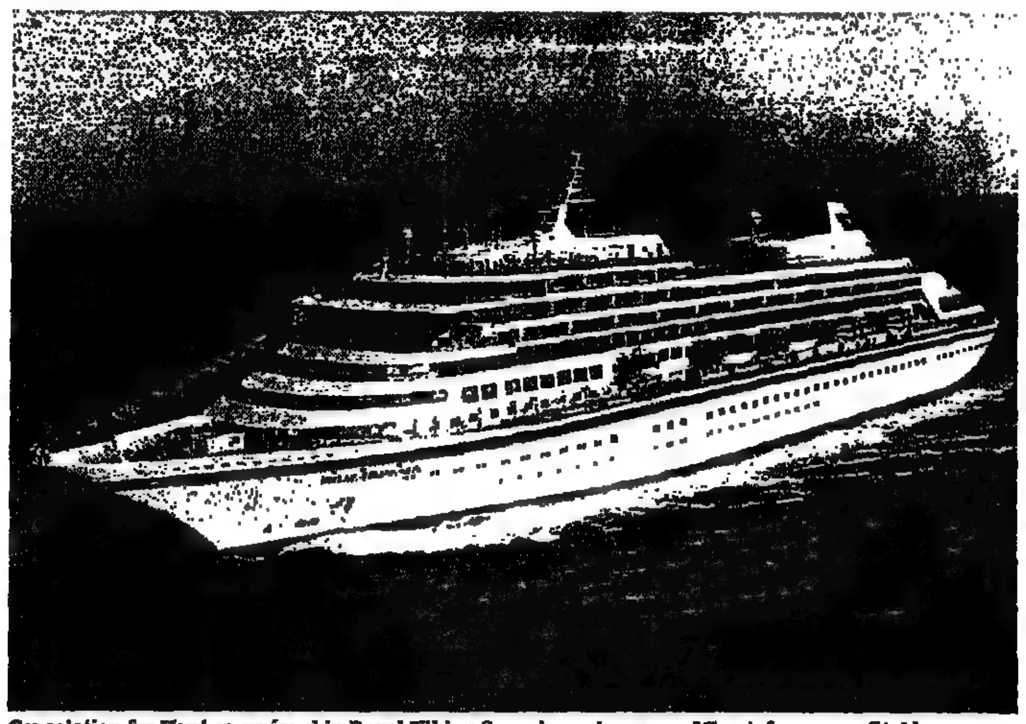
[illegible] from the disposal would [illegible] enabled Vard [illegible] boost its position in the mass cruise market by concentrating financial resources on its remaining cruise business, Norwegian Cruise Line. It had planned to strengthen, expand and modernise Norwegian Cruise Line as well as to reduce borrowings.

Mr Terje Mikalsen, Vard's chairman, said a number of alternatives to the US deal were being studied but he would not be drawn on details. "We have to take our bearings and see what the best approach will be, but we do not want a situation where it is perceived that we are a company desperate to sell assets to raise cash. This may have been the situation a year ago but [illegible] now," Mr [illegible] stressed.

Domestic cruise analysts said the failure of the deal pushed the question of fleet renewals far into the future. Vard was facing the question of which strategy [illegible] could follow as an alternative way of achieving the goals which the disposal would have [illegible].

They suggested that AEA may have had reservations about the potential of the high-risk cruise industry, given the the cost of participation and the return on [illegible].

Vard said bookings for the two cruise lines were significantly stronger than in previous years, and forecast both lines to make profits this year.



Consolation for Vard as cruise ship Royal Viking Sun, shown here near Miami, faces a profitable year

News Corp up 27% with help from the air

By Nikki Tait in Sydney and David Blackwell in London

Higher earnings from Ansett Airlines and the BSkyB satellite broadcaster more than offset the impact of a UK newspaper price war on News Corporation, Mr Rupert Murdoch's media, film and publishing group

News Corp posted a 27.5 per cent increase in profits for the six months to December. The figure rose from A$490.1m ($350m) to A$624.9m after tax but before abnormal items. First-half [illegible] A$5.82bn, against A$5.33bn, and [illegible] per share (before abnormals) increased by 13 per cent to 34 cents.

The results were ahead of expectations and the shares jumped 52 cents to A$10.56.

Operating profits for the half-year were slightly lower at A$861.1m after the news[illegible] division [illegible] from A$349.1m, and the magazines and insets business fell to A$169.5m, from A$206.2m.

[illegible] blamed [illegible] on [illegible] newspaper price war in the UK, and on the heavy competition in the US faced by its free-standing inserts business. However, there was a strong performance from the film division, including Twentieth Century Fox. Operating profits more than trebled to A$101.1m, hel[illegible] by the recent [illegible] office hit Mrs Doubtfire. The book publishing division posted profits of A$126.2m, against A$113.6m.

Associates – Ansett, which News owns with TNT, and [illegible], of which [illegible] holds 50 per cent – [illegible] contributions to A$190.1m. Net interest charges fell to A$343.9m (A$387.4m). News also benefited from an abnormal gain of A$144m, mainly due to the sale of a 34.9 per cent interest in The [illegible] China Morning Post and an equity-accounted surplus on the sale of assets at BSkyB.

This left profits after tax and abnormals [illegible] A$768.9m, against A$452.8m.

[illegible] The decision to slash the prices of The Times and the Sun newspapers lay behind a 34 per cent fall in operating profits at News International, the [illegible]iary.

In July the price of the Sun was cut from 25p to 20p, while in early September The Times cover charge was reduced from 45p to 30p. Operating profits at the subsidiary fell from £76.2m to £49.8m on turnover of £344.6m ($520m). But after offsetting factors, notably BSkyB's [illegible] contribution, pre-tax profits rose 45 per cent to £126.7m.

Lex, Page [illegible]

Paribas benefits in currency turmoil

By Alice Rawsthorn in Paris

Paribas, one of France's leading banking [illegible], continued [illegible] recovery last year with a 58 [illegible] cent [illegible] in estimated [illegible] profits to FFr1.4bn ($230m) from FFr886m in 1992.

Mr André Lévy-Lang, chairman, said [illegible] group had benefited from a "very good" performance in [illegible] trading, where it made strong gains during last [illegible] European currency crisis. It [illegible] fared well [illegible] North American and [illegible] banking [illegible].

He [illegible] another profit increase this year [illegible] Paribas, which has for the past [illegible] been recovering from [illegible] poor performance in 1991 [illegible] it incurred its first-ever loss, "should [illegible] the improvement in [illegible] during [illegible]".

However the group's shares yesterday fell [illegible] FFr8 [illegible] following Wednesday's rise [illegible] FFr26 to FFr589 [illegible] speculation that [illegible] was about to [illegible] sale [illegible] part [illegible] stake [illegible] Mixte, the industrial group [illegible] which [illegible] has a cross-shareholding [illegible]ment.

Mr Lévy-Lang yesterday [illegible] the rumours by [illegible] Paribas had no plans [illegible] reduce [illegible] in Navigation Mixte. However, he [illegible] confirm that [illegible] had raised FFr1.5bn [illegible] 12 per [illegible] of Poliet, [illegible] building materials concern, and FFr1bn from [illegible] per [illegible] of [illegible] Français, the cement company.

Paribas estimated its total operating income rose [illegible] FFr33.3bn in 1993 from FFr29bn with gross operating income rising to FFr13.5bn from FFr11.3bn. However, it was forced to make FFr9.2bn of new net provisions, against FFr7.7bn in 1992, partly due to the problems of the French property market.

Mr Lévy-Lang said commercial property was still depressed, but residential property was improving.

Paribas is the first of the big French banks to publish [illegible]mated results [illegible] 1993.

Meanwhile the government [illegible] in the throes of negotiating a complex recapitalisation package worth between FFr3bn and FFr4bn [illegible] Lyonnais, another big bank, in preparation for its [illegible] privatisation. Mr Edmond Alphandéry, economy minister, [illegible] week con[illegible] that [illegible] underway.

'Lift-off' – but still not firing on every engine

Michael Skapinker reports that leisure may have a bumpy ride

A January leisure sector publication from stockbrokers Smith New Court carried the exultant headline "We have lift-off". Consumer spending was on an upward trend. The UK's hotel and leisure sector was set to benefit, the publication said.

That was January last year. In the event, hotel and leisure companies had a solid but uninspiring 1993, with the sector's shares tracking the FTSE-All Share index for most of the year.

Mr Bruce Jones, a Smith New Court analyst, says his firm could have reprinted last year's publication at the beginning of 1994. The same optimistic noises are being heard. This time, however, many followers of leisure companies clearly believe the recovery is for real.

The basis of this optimism is difficult to detect. Overseas holiday bookings are undoubtedly strong, but the trend in many domestic leisure pursuits appears less cheerful. There are examples of more consumers going out to spend money on leisure activities, but, in many cases, the amount each of them spends is not going up. In other leisure businesses, spending per head has increased, but the number of customers has not.

April's tax increases could reduce leisure spending further, ending the optimistic view that this will be the year when leisure companies put memories of the recession firmly behind them.

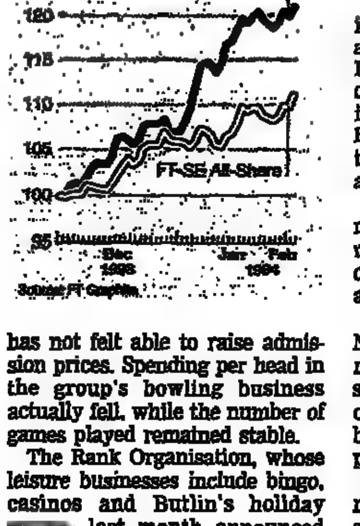
The sector's shares have outperformed the market by a clear margin since the beginning of the year. Ladbroke, First Leisure, Rank, Airtours and Owners Abroad have all registered impressive share price increases.

Yet the first round of leisure company results and trading [illegible] has provided many examples [illegible] reluc[illegible] spend large [illegible] on their entertainment.

First Leisure, [illegible] discotheques, bowling [illegible] tourist [illegible] group, [illegible] month announced pre-tax profits [illegible] £31.8m ($47.70m) on turnover up 12.3 per cent to £121.8m.

While discotheques admissions were up 14 per cent, the group

UK leisure outperforms



Source: FT Graphite

has not felt able to raise admission prices. Spending per head in the group's bowling business actually fell, while the number of games played remained stable.

The Rank Organisation, whose leisure businesses include bingo, casinos and Butlin's holiday [illegible], last month announced pre-tax profits of £275.6m for the year [illegible] October 31, compared with a restated £125.8m the previous year.

Despite the profits increase, Mr Michael Gifford, chief executive, presented a similar story of cautious leisure consumers. While admissions to Odeon cinemas rose 10 per cent, largely boosted by the film Jurassic Park, strong price competition, meant that Rank could not increase the price of tickets.

[illegible] were parts [illegible] which [illegible] who [illegible] willing [illegible] splash out a little. Spending per [illegible] group's [illegible] bingo [illegible] by 6 per cent. At Rank's casinos, spending per [illegible] rose [illegible] cent. But admission numbers were static in both [illegible].

Forte, [illegible] hotels and restaurants group, said last month that London hotel occupancies [illegible] healthy, but that [illegible] paid had been slow to recover.

[illegible] were [illegible] signs [illegible] improvement. Stakis, the [illegible] and casino [illegible], and Stanley Leisure, the betting shops and casino chain, announced big profits increases. And Mr Gifford of Rank said consumer spending in the UK and [illegible] did now appear to be increasing.

Many consumers seem [illegible] regard a holiday in the sun as a necessity. They seem [illegible] more cautious about spending on other activities.

Mr Mark Finnie, an analyst at NatWest Securities, [illegible] that much [illegible] optimism surrounding the sector has been overdone, although some of it is based on the [illegible] particular companies.

[illegible] the holiday sector, much of the enthusiasm for leisure shares appears to be based on the [illegible] that business has been bad for so long it is bound to get better. There is another possibility: that the recession has bred consumers who are determined not to overspend and who will refuse to pay higher hotel rates or buy more expensive cinema tickets even in times of prosperity. For many buyers of leisure shares, it is clearly too early in the year to be that gloomy.

INTERNATIONAL COMPANIES AND FINANCE

Armani buys out Finarte to take control of Simint

By Haig Simonian in Milan

Mr Giorgio Armani, [redacted] Italian fashion designer, [redacted] become [redacted] biggest shareholder in the troubled Simint clothing [redacted] after buying out [redacted] close business associate.

Mr Armani and his sister Rosanna are together buying the 21.71 per [redacted] stake held by Finarte, the auction group [redacted] trolled by Mr Francesco Micheli, a Milan financier.

Milan analysts said the [redacted] was being divided [redacted] Mr Armani, who already holds about 20 [redacted] cent of the quoted Simint [redacted] and [redacted] sister, [redacted] avoid triggering a compulsory takeover bid.

The Simint [redacted] illustrates the risks and rewards of investing in the fashion world.

Mr Micheli, who took control of Simint in the late 1980s, helped [redacted] a strong recovery under [redacted] management.

Earnings [redacted] steadily and, in [redacted] Simint [redacted] joined the select group [redacted] Italian [redacted] nies [redacted] issue American depository receipts on Wall Street.

Since then, the story has [redacted] less positive. Simint, which specialises in producing clothing under licence for well-known designers, has been affected by high [redacted] and stagnant demand in [redacted] recession-hit clothing mar[redacted]

It has been particularly [redacted] by the [redacted] join [redacted] with Mr Armani in developing [redacted] relatively low-priced [redacted] in the [redacted] Although [redacted] shops, named Armani Exchange (A/X) [redacted] the designer's name and sell exclusively Armani-labelled [redacted] Simint [redacted] the development costs.

Heavy [redacted] spending in the [redacted] largely accounted for the sharp [redacted] in recent performance. Net profits [redacted] the [redacted] April 1993 fell to L1.6bn [redacted] L17.5bn. For [redacted] first [redacted] this year, [redacted] group reported a L12.8bn [redacted] against pre-tax profits of L6.6bn.

Mr Micheli justified [redacted] deci[redacted] sell out [redacted] the grounds that Simint's US [redacted] too risky. [redacted] the Armani [redacted] available for [redacted] However, analysts believe Mr Armani [redacted] try [redacted] bring [redacted] partners into the [redacted]

UK life group floats property portfolio

By Simon Davies in London

Transatlantic [redacted], the UK life [redacted] erty group, is to float off its [redacted] property portfolio [redacted] Capital Shopping Centres [redacted] will [redacted] of [redacted] largest listed property companies on the London [redacted] exchange.

[redacted] will own the [redacted] shopping [redacted] in Thurrock, [redacted] largest [redacted] England, which will [redacted] half of CSC's [redacted] ($1.2bn). At [redacted] per [redacted] of CSC [redacted] through [redacted] placement [redacted] public offer, raising [redacted]

[redacted] 54 [redacted] by Liberty Life, the South African insurance group, [redacted] 18 per [redacted] by UAP, France's largest insurer, will [redacted] per cent of CSC's shares [redacted] value), [redacted] property portfolio, [redacted] a [redacted] per [redacted]

The demerger [redacted] provide a funding [redacted] capital [redacted] part of Transatlantic's operations, and it could present a more [redacted] valu[redacted] properties.

[redacted] parent company [Transatlantic] [redacted] bond [redacted] Mr Donald Gordon, chairman, said this was [redacted] pay [redacted] floating [redacted] £162m recently paid [redacted] in the Harlequin shopping centre, [redacted] than [redacted] its [redacted] in [redacted] Alliance.

[redacted] expected [redacted] "I think [redacted] market will [redacted] of having [redacted] large specialist [redacted] property company," [redacted] Mr [redacted] Turner, of Barclays [redacted] Zoete Wedd. According [redacted] the brokerage, [redacted] property sector is trading [redacted] premium to [redacted] value, and it is expected [redacted] CSC will be priced above asset value.

CSC will comprise interests in seven shopping [redacted] of these properties have been built since 1990, and Mr Gordon [redacted] that [redacted] centres take between five and seven years to [redacted] maturity.

More boardroom upheaval at VW

Christopher Parkes looks at the rise and fall of the Audi chairman

Mr Franz-Josef Kortüm, the soon-to-be-ex-chairman [redacted] Audi, had good [redacted] grateful to Mr Ferdinand Piëch.

[redacted] two [redacted] Mr Piëch, the Volkswagen [redacted] chairman, plucked [redacted] 42-year-old from the obscurity [redacted] a Mercedes-Benz distribution centre [redacted] Bonn. Mr [redacted] to be Audi marketing director.

Within eight months he [redacted] take Mr [redacted] then job [redacted] the helm [redacted] quality [redacted] subsidiary, while his [redacted] protector [redacted] the great leap [redacted] top of Europe's biggest automotive [redacted]

However, Mr [redacted] grati[redacted] did [redacted] extend [redacted] adopting [redacted] role of [redacted] lapdog. [redacted] when [redacted] the job of spokesman – [redacted] sort [redacted] equals [redacted] the Audi board – he held out [redacted] higher ranking of chairman.

[redacted] spite of this [redacted] start, [redacted] inexperienced [redacted] started off by following his master's voice. Until [redacted] mer, he was still claiming Audi [redacted] break even [redacted] spite [redacted] a DM198m ($116.4m) first-half loss.

He was only echoing [redacted] Piëch's own [redacted] group. [redacted] by [redacted] of [redacted] holidays, he [redacted] level [redacted] was out of sight.

[redacted] business forecasts

Franz-Josef Kortüm: rivals had [redacted] 20-year lead

suggested [redacted] would [redacted] during [redacted] compared [redacted] 472,000 in Mr Piëch's [redacted] year. In [redacted] event, [redacted] predictions proved spot on. [redacted] recently reported [redacted] 24 [redacted] drop in [redacted] a 30 [redacted] in production. [redacted] figures [redacted] worse [redacted] BMW [redacted]

[redacted] show [redacted] September, [redacted] a reference [redacted] breaking [redacted] of [redacted] speech previously vetted by [redacted] group. Two [redacted] later, [redacted] publicly blaming Mr Piëch and [redacted] previous [redacted] for an expected but unspecified [redacted]

Audi's distribution lacked punch, [redacted]

"This [redacted] an important [redacted] why Audi [redacted] in a [redacted] position than others. Clear failings [redacted] to [redacted] corrected," [redacted] said. Audi's [redacted] rivals [redacted] 20-year [redacted]

[redacted] others, Mr [redacted] of [redacted] motor industry downturn in post-war history. [redacted] he [redacted] bur[redacted] to discover, record volume sales for [redacted] been [redacted] by [redacted] trick.

Audi France [redacted] firmed yesterday that "several [redacted] thousands" of cars had been parked with French [redacted] tributors, only [redacted] be shipped back [redacted] Germany [redacted] year. [redacted] many of them [redacted] air[redacted] and [redacted] braking systems – regarded [redacted] in the Germany quality [redacted] – selling [redacted] no [redacted] task.

Mr Kortüm had to [redacted] with Mr Piëch's persistent [redacted] that [redacted] brainchild, [redacted] revolutionary aluminium-bodied car, [redacted] brought to [redacted] spring. According to industry [redacted] manufacturing [redacted] forced delays.

[redacted] the end, [redacted] was all too much [redacted] mild young [redacted] man.

Like his colleagues at Seat in Spain, he [redacted] been instructed by headquarters [redacted] business plan which would yield [redacted] balanced result for [redacted] full year. But as he and Mr Juan Antonio Diaz Alvarez, [redacted] chairman, were [redacted] dis[redacted] numbers would not bend sufficiently.

[redacted] Diaz, recently accused [redacted] deception by Mr Piëch, [redacted] fired [redacted] September after an "unexpected" [redacted] of DM1.25bn [redacted] to light. Now it [redacted] turn in [redacted] revolving door, raising [redacted] again [redacted] question: [redacted] next?

Kleinwort trust oversubscribed

By Bethan Hutton in London

The public offer [redacted] Kleinwort Benson's European Privatisation Investment Trust was more than £380m ($575m) oversubscribed, confirming [redacted] position as [redacted] largest UK investment trust launch.

Applications for £560m-worth of shares were received during the public offer, which closed on Wednesday, giving the fund [redacted] potential size of £880m, [redacted] had already [redacted] raised through an institutional placing, but [redacted] capped [redacted]

However, the Mercury European Privatisation Trust, which closed [redacted] placing on Wednesday, has [redacted] its maximum [redacted] at £575m, so it could soon beat Kleinwort's record.

The Mercury fund raised [redacted] in its placing, and [redacted] seeking a [redacted] from an intermediaries offer, closing on February 25, [redacted] £150m [redacted] public offer, closing on March [redacted]

Applications for shares [redacted] the Kleinwort [redacted] are being scaled back by about two-thirds.

[redacted] White, managing director of Kleinwort Benson [redacted] Trusts, [redacted] the company was disappointed [redacted] satisfy demand in full, but it believed [redacted] was [redacted] appropriate [redacted] given [redacted] development [redacted] liquidity of the target investment [redacted]

[redacted] all [redacted] disappointed inves[redacted] from the Kleinwort [redacted] apply for [redacted] Mercury fund, it will [redacted] oversubscribed. [redacted] applied [redacted] minimum [redacted] wort [redacted] will receive [redacted] Applications for up to [redacted] imately 31.45 per cent, [redacted] applications [redacted] than 2m shares will receive 31.45 per cent of the first [redacted] and 25 per [redacted] thereafter.

[redacted] partly paid, with 50 per cent paid initially [redacted] balance [redacted] August 1. One free [redacted] will be [redacted] with every [redacted] shares.

Interim share certificates and cheques for returned bal[redacted] will [redacted] February [redacted] dealings in the ordinary shares [redacted] separate warrants are due to [redacted] on February 9.

Austria to sell VA Tech on May 16

By Patrick Blum in [redacted]

Voest-Alpine Technologie (VA Tech), engineering group, is to [redacted] privatised on May 16 [redacted] a four-day flotation of 51 per cent [redacted] the company's capital [redacted] Vienna stock exchange.

The sale, which the government hopes will raise about [redacted] ($416m), is part of a large Austrian privatisation programme approved in November.

VA Tech is [redacted] largest [redacted] to [redacted] privatised within the former Austrian Industries (AI) [redacted] industrial [redacted] which was dissolved in December [redacted] lowing heavy losses.

Analysts expect [redacted] of VA Tech, [redacted] consists [redacted] several engineering, [redacted] tion and energy companies, to attract strong international interest.

The privatisation [redacted] will include [redacted] of [redacted] shareholdings in OMV, the oil and [redacted] SGP Verkerstechnik, [redacted] railways rolling stock manufacturer; Austria Mikrosysteme, maker of [redacted] microchip; [redacted] Vamed, [redacted] hospital construction group.

Akbank leaps 125% to TL3,700bn

By John Murray Brown in Istanbul

Pre-tax profits [redacted] Akbank, Turkey's largest retail bank, jumped 125 per cent to TL3,700bn ($213m) in 1993. The rise mostly reflects the continued strong performance of the Turkish economy.

Akbank, which is listed on the Istanbul stock exchange, is 60 per cent owned by Sabanci, Turkey's second-largest family-owned conglomerate. Last year, it's loan book increased by 80 [redacted] cent to TL56,100bn.

[redacted] bank was [redacted] in consumer lending, [redacted] relatively new area [redacted] grew by [redacted] in 1993. Like other Turkish banks, Akbank is expanding rapidly its consumer [redacted] Akbank's con[redacted] activities [redacted] closely [redacted] with [redacted] financing of [redacted] parent company's recently [redacted] manufacturing [redacted] Toyota [redacted] Japan.

[redacted] completed [redacted] $100m syndicated loan in 1993, [redacted] foreign borrowing. However, unlike other Turkish banks, Akbank [redacted] refrained from large foreign borrowings – [redacted] book [redacted] deposits. These [redacted] 47 per cent to TL32,200bn in 1993 [redacted] for [redacted] 90 per [redacted] funding.

This [redacted] Akbank less exposed [redacted] most [redacted] competitors to the impact of [redacted] 12 [redacted] lira [redacted] tion, and [redacted] changes in reserve requirement intro[redacted] by [redacted]

The changes – redefining [redacted] requirements [redacted] – will be [redacted] more by non-deposit-[redacted] banks, particularly foreign [redacted]

● The Turkish government's 21 per [redacted] in Turk Otomobil [redacted] (Tofas), [redacted] car assembly group 42 per cent owned by Fiat, will be sold by private placement with US institutions together [redacted] European [redacted] and [redacted] Turkish offering.

[redacted] Lehman Bros [redacted] J Henry Schroder Wagg [redacted] advising on [redacted] which is expected to raise about [redacted] is Turkey's largest car producer with [redacted] 45 [redacted] cent [redacted] share.

Strong advance at Swiss bank

By Ian Rodger in Zurich

Union [redacted] Privé, one [redacted] Switzerland's largest private banks, [redacted] reported [redacted] per cent jump in net income in 1993 to [redacted] ($131m).

[redacted] Geneva-based bank, [redacted] product [redacted] takeover of TDB American Express Bank by Mr Edgar de Picciotto's Compagnie [redacted] Banque [redacted] ment (CBI) in 1990, said [redacted] tions for its asset management business [redacted] "exceptionally favourable" [redacted] year.

Total [redacted] grew 4.6 per cent to end [redacted] SFr11.2bn, [redacted] deposits [redacted] to [redacted] Shareholders' equity stood [redacted] SFr884m [redacted] year-end.

INTERNATIONAL COMPANIES [illegible] CAPITAL MARKETS

Sweet success for Saudi banks

The first rash of [illegible] reporting [illegible] figures has shown continued buoyancy in what [illegible] been [illegible] of the Middle East's most profitable banking markets since the Gulf war – but analysts are cautioning that economic pressures on the kingdom [illegible] almost certain [illegible] trim profits this year.

The continued [illegible] in [illegible] oil price – the overwhelming determinant [illegible] the Saudi economy's health – has already shrunk economic activity, [illegible] to bank[illegible] in Riyadh.

This, plus the government's attempt to attack [illegible] deficit through [illegible] 20 [illegible] across-the-board cut in public spending, is estimated by some economists in the kingdom to foreshadow shrinkage in the economy of between 5 and 7 [illegible] cent for [illegible] with [illegible] dant [illegible] on bank performance. "[illegible] will be [illegible] nice [illegible] to look [illegible] on," [illegible] one banking analyst.

However, among the first of the kingdom's commercial banks to report 1993 figures, Saudi Hollandi Bank, which is 40 per [illegible] owned by ABN-Amro Bank of the [illegible] recorded [illegible] per cent [illegible] in net profits [illegible] record SR180.1m ($48m).

The bank, one of only two of the kingdom's listed commercial banks not to have recapi-

The 1993 reporting season has been jam today, but what of 1994?
Mark Nicholson in Cairo reports

talised on the Saudi stock market [illegible] the past two years, said it would transfer all 1993 earnings into general reserves and pay no dividend.

In a statement, the bank said it would [illegible] for loan [illegible] Deposits slipped [illegible] SR8.48bn. Total assets rose to SR15.1bn from SR13.52bn.

[illegible] Cairo, meanwhile, announced a 59.4 per cent rise in profits for 1993 to SR214.3m. The figure marks a strong recovery from the bank's struggle with bad debt in the late 1980s – [illegible] Cairo [illegible] no profit in 1991, but wiped out much of its bad [illegible] portfolio with [illegible] recapitalisation [illegible] doubling paid-up capital [illegible] SR1.2bn with [illegible] share offering.

The bank, in which Egypt's Banque du [illegible] 20 [illegible] cent stake, said it had allocated SR40m for loan loss provisions in 1993 and will pay a dividend for the first time in nine years. The board recommended a SR120m payout, or SR10 a share. Assets rose to SR15.6bn from SR13.4bn a year earlier.

Arab National Bank, which is 40 per cent owned by Arab Bank, the Jordanian pan-Arab bank group, also reported a rise in 1993 profits, up 28.7 per cent to SR495.2m. The board has recommended a dividend of SR337m, a third up on 1992. Loan loss provisions were held at SR62m and assets rose to SR32.41m from SR28.65.

Saudi [illegible], in which Citicorp holds a [illegible] cent stake, announced a 3.5 per cent rise in net profits for 1993 to SR942.2m – a figure in line with analyst's expectations and based, according to the bank, on continued strength in the retail sector. Assets rose to SR39.79bn from SR38.28bn, and deposits were up to SR30.07bn from SR29.06bn.

The bank doubled share capital in 1993 to SR1.2bn with a SR600m transfer from reserves. Shareholder funds in 1993 rose to SR3.24bn from SR2.62 after an SR820m increase in general reserves from [illegible].

Analysts said Saudi American's more modest proportionate rise in profits reflected both the fact that it has been operating more profitably than most other Saudi banks for longer and that, unlike many of its competitors, it did not inject equity during 1992 or 1993 – something which had offered some other banks the [illegible] essentially [illegible] fresh funds.

Productivity boost helps CMI cut losses

By Matthew Curtin in Johannesburg

Productivity improvements [illegible] rand's [illegible] the dollar helped Consolidated Metallurgical Industries (CMI), South Africa's second largest ferrochrome producer, reduce [illegible] pre-tax [illegible] ($1.1m) in [illegible] half-year [illegible] December [illegible] 1993 from R21m [illegible] before.

[illegible] fell [illegible] from R125.7m as [illegible] oversupply [illegible] ferrochrome, a key ingredient in [illegible] ture of stainless steel, and high [illegible] prices remained depressed.

Mr Zed van der Walt, managing director, said any benefit from record demand for stainless steel in 1993 was [illegible] by [illegible] cheap ferrochrome supplied [illegible] Soviet Union [illegible] China. The company's ferrochrome furnaces were operat[illegible] capacity although good export [illegible] chrome ore [illegible] to produce [illegible] full tilt.

CMI reported a reduced [illegible] ating [illegible] against [illegible] of being able to cover [illegible] charges and preference share dividend payments. Mr van der Walt said minor improvements in sales volumes or the exchange rate would see CMI return to operational profitability in 1994, and there was still room for the company to cut variable costs at its smelters.

Lower interest rates and an improved cash position contributed to a fall in net interest [illegible] from R4.19m on interest-bearing debt [illegible] R143.4m, up from R136.3m. [illegible] payment of the R5.18 interim preference dividend left CMI [illegible] an [illegible] loss [illegible] compared [illegible].

[illegible] Kuhnert, marketing director, said world ferrochrome demand would rise in tandem with increased stainless steel consumption in 1994. South African producers, with half of their overall capacity lying idle, were well placed to profit from the [illegible] as output [illegible] former [illegible] stagnated.

JCI lifts interim payout after 8% advance

By Matthew Curtin

Johannesburg Consolidated Investment, the [illegible] African platinum and gold-mining group with significant diamond trading and [illegible] interests, has reported an [illegible] improvement in pre-tax profit [illegible] R179.6m [illegible] in the half-year [illegible] 31 [illegible] R165.7m [illegible] year earlier.

[illegible] interim [illegible] for [illegible] first time since 1989, up nearly [illegible] per [illegible].

Sharply improved contribu[illegible] from JCI's gold mines off[illegible] mixed [illegible] at [illegible] platinum, coal and base metal businesses, which were hit by poor commodity prices. The mining house continued to rely on its industrial interests for [illegible] lion's [illegible] of [illegible] income, largely through minority [illegible] in [illegible] strongly-performing [illegible] supplier Premier Group and [illegible] African Breweries.

After-tax profit rose to R165.5m from R155.6m, after an [illegible] in [illegible] provisions [illegible] R14.1m [illegible].

However, earnings at the equity accounted level climbed [illegible] than 10 per cent to R194.9m, [illegible] group's share of earnings from associate companies jumped to [illegible].

Currency [illegible] with JCI's decision [illegible] increase its interest in Minerals, a Luxembourg-based metals trading company, led to a R10.4m extraordinary charge taken below the line.

Japan looks for US help to open markets

By Emiko Terazono in Tokyo

The arrival of [illegible] Mickey Kantor, [illegible] US [illegible] tative, in Tokyo this [illegible] put Japan's trade and finance ministry [illegible] on the defensive, [illegible] some in the [illegible] counting on US [illegible] to open [illegible] country's [illegible].

After [illegible] trying [illegible] persuade Japan's ministry [illegible] to deregulate [illegible] guarded public pension fund [illegible] ment, the ministry [illegible] and [illegible] jurisdiction over [illegible] pension system – believes [illegible] only foreign [illegible] the job.

US pressure forced the partial liberalisation of fund management, corporate pension [illegible] associations [illegible] 1990, allowing foreign investment managers into the market. The welfare ministry also [illegible] state pension investments, currently [illegible] ers and trust banks.

For many European [illegible] US fund management companies, which [illegible] gain access to such funds due to the tight relationships [illegible] Japanese corporations and fund managers, winning public fund management contracts is the only way they can justify maintaining operations in Japan.

Investment of state pension fund reserves totalling an outstanding Y100,000bn ($925bn) is controlled by the finance ministry, with the bulk funnelled into low interest loans for public works.

Of the remainder, Y20,000bn is invested by the Welfare Service Public Corporation (Nenpuku), run by the health ministry – but rigid rules still govern how the organisation invests in the financial markets.

The health [illegible] welfare ministry also wants to alter legislation limiting the state pension fund investment during the current parliamentary session.

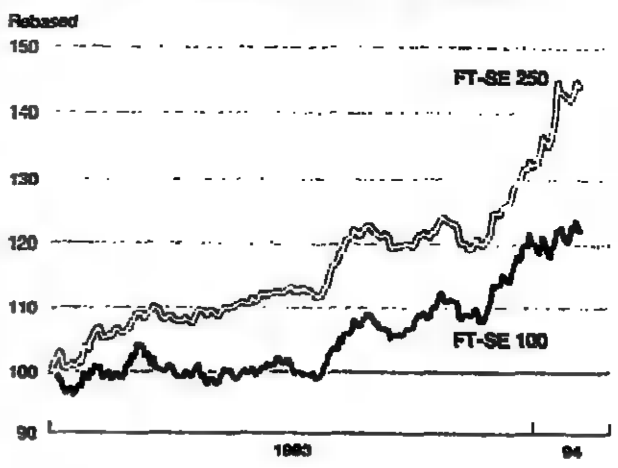
Another big concern is the large amounts allocated to one manager by Nenpuku. The organisation is only allowed to allocate funds to 14 life assurers and 15 trust banks, with one [illegible] managing as much as [illegible].

Deregulation of the pension fund market is on the agenda for the bilateral trade talks between Japan and the US, with the deadline set for July. However, the Japanese welfare ministry is trying to convince bureaucrats at the finance ministry to open state pension fund investments during budget negotiations [illegible] month.

Laws governing [illegible] pension system [illegible] only once [illegible] government officials [illegible] changes [illegible] the system and investments must be [illegible] together by April.

New options give fund managers a wider choice

Relative performance of FT-SE indices



Source: FT Graphite

Tracy Corrigan reports on the prospects for new derivative instruments on the FT-SE Mid 250 stock index launched today

The launch of futures and options [illegible] the FT-SE Mid 250 index today on OMLX, [illegible] London-based equity derivatives exchange, [illegible] not have been better timed.

The path for [illegible] in three weeks, Liffe, Europe's largest futures exchange, [illegible] weigh in with [illegible] own FT-SE [illegible] contract (though no options), which [illegible] be [illegible] alongside [illegible] already successful FT-SE [illegible] and options.

[illegible] at [illegible] Mid [illegible] product are good. After outperforming the FT-SE 100 index last year, the FT-SE 250 index of medium-sized companies stormed to [illegible] highs [illegible] January.

"The dramatic outperform[illegible] of [illegible] FT-SE [illegible] highlighted [illegible] opportunity – or missed opportunity – provided by [illegible] mid-cap sector," [illegible].

In [illegible] a growing number [illegible] of UK [illegible] starting [illegible] use [illegible] FT-SE [illegible] (which [illegible] up [illegible] FT-SE 100 and 250 indices) as a key [illegible] measuring their performance. The [illegible] index [illegible] widely viewed [illegible] "not representative" or "too specialised" for performance [illegible] FT-SE All-Share [illegible] illiquid.

"I [illegible] surprised [illegible] [fund managers] [illegible] over to the 350 in the next couple [illegible] of years," [illegible] Mr Mel Stimpson, [illegible]. Many [illegible] already [illegible] the switch. "[illegible] split [illegible] large [illegible] small companies. When [illegible] new [illegible] (the FT-SE 350 [illegible] SmallCap) were introduced, [illegible] incorporated [illegible] separate benchmarks," [illegible] Mr Jeremy Dyer, portfolio [illegible] Amicable.

For fund [illegible] who track [illegible] indices, the new [illegible] Liffe and OMLX will facilitate switches between these sectors for asset allocation purposes. Other uses include hedging existing portfolios, writing options against stock holdings to enhance returns, and playing the spread between the FT-SE 100 and 250 indices or the cash market.

Mr Dyer said he would be keen to use the new products providing there is sufficient liquidity, [illegible] added that [illegible] hoped to [illegible] the introduction of [illegible] on a smaller companies index in [illegible] future.

Although [illegible] FT-SE 100 futures on Liffe [illegible] actively [illegible] – a daily average [illegible] to 17,000 contracts in January – the size of the market is relatively [illegible] compared [illegible] the [illegible] capitalisation.

Attitudes are changing [illegible] derivatives – [illegible] example, many [illegible] have [illegible] allow [illegible] limited [illegible] derivatives – [illegible] a [illegible].

"Derivatives [illegible] redefining people's views [illegible] performance. If you [illegible] to outperform [illegible] market, [illegible] can just buy [illegible] futures [illegible] in T-bills," [illegible] Mr David Courtney, marketing director [illegible] OMLX. "Those who [illegible] becoming [illegible] active in derivatives are typically performing well rather than badly [illegible] index."

But some observers doubt whether [illegible] will [illegible] sufficiently broad demand to [illegible] liquid contracts. And no one seems to think that the market is large enough to support the two rival contracts on OMLX and Liffe.

On the face [illegible] it, Liffe should [illegible] the favourite. It already [illegible] FT-SE 100 contracts, [illegible] well [illegible] a broad array of inter[illegible] products, and is the [illegible] port of [illegible] brokers.

But fund [illegible], some of whom had not previously come [illegible] OMLX – which traded [illegible] of nearly [illegible] index options in January – have been impressed by the smaller exchange's speed in getting the new [illegible] off [illegible] and in marketing them. Further, [illegible] in equity derivatives has been [illegible] impressive than its performance in [illegible] products.

From the point of view of the fund managers who will be served by the new contracts, the advent of competition for Liffe is welcomed. Few investors expressed fears that liquidity will be split between the rival contracts.

- OMLX said yesterday that it would have 10 market makers and eight designated brokers on its FT-SE 250 contracts. Market makers will be obliged to quote two-way prices, but there is no minimum bid/offer spread.

Amcor in asset swap with Bonar

By Nikki Tait in Sydney

Amcor, the Australian [illegible] yesterday announced an [illegible] deal between [illegible] Montreal-based Twinpak subsidiary and Ontario-[illegible].

Twinpak will shed its North American paper sack and industrial plastic bags manufacturing business, but take on the bulk of Bonar's coating and laminating business in eastern Canada. Amcor declined to disclose sales of the businesses involved.

[illegible] Australian [illegible] also [illegible] that it had agreed to acquire a small plastic bottle manufacturing plant in New York State, its first move into the US. Amcor has been steadily building an international operation recently.

Thai Military Bank nets Bt2bn

By Victor Mallet in Bangkok

Thai Military Bank (TMB), one-third owned by Thailand's armed forces, yesterday announced a 58 per cent rise in net profit to Bt2.85bn ($112m) last year from Bt1.80bn in 1992.

TMB's profits rose more sharply than those of other leading banks such as Bangkok Bank, Siam Commercial Bank and Thai Farmers Bank, but some analysts believe TMB will not be large enough to compete effectively against its rivals as the Thai financial sector is liberalised and opened more to foreign banks.

Siam City Bank reported a 68 per cent rise in its net profit to Bt1.98bn in 1993 from Bt1.17bn the previous year. The two banks have yet to divulge further details of their results.

Higher shipments help lift Whirlpool profits 11%

By Martin Dickson in New York

Whirlpool, the leading US maker of white goods, yesterday announced [illegible] 11 per [illegible] in fourth-quarter [illegible] earnings, helped by higher [illegible] shipments in North America, Europe, Latin America and Asia.

The [illegible] 94 cents a share, up from [illegible] or [illegible] cents, in the same period of [illegible] year, while [illegible] rose [illegible] to $1.90bn, despite the negative [illegible] currency translation.

The figures included $14m, [illegible] 19 cents, in [illegible] charges for restructuring in Canada and Europe and for ending agreements with distributors in the US. The 1992 quarter was reduced by an $11m, [illegible] share, special charge.

Whirlpool made [illegible] 67 cents, in 1993 as a whole, down from [illegible] or [illegible] in [illegible] although excluding special charges earnings [illegible] been 32 per [illegible] up at [illegible]

The company [illegible] shipments in [illegible] core North American market had grown in [illegible] well ahead of the [illegible] per cent expansion and it expected regional industry shipments [illegible] by [illegible] cent [illegible] year. Whirlpool's North American operating [illegible] were up significantly on 1992.

In Europe the group recorded strong shipment growth despite an industry decline of 1 to 2 [illegible] Industry shipments in [illegible] were expected to be similar to [illegible] year.

● Maytag, the white [illegible] manufacturer, reported fourth quarter [illegible] up 55 per cent, from $11.2m, or 11 cents in [illegible] to $17.5m, [illegible] The improvement was due mainly to increased volume, especially in premium brands, and greater production [illegible] operating [illegible]

However, the Hoover Europe subsidiary [illegible] against income of $4.1m, due to pressure [illegible] operating margins [illegible] with [illegible] production [illegible] Scotland.

Continental Air in the black

By Richard Tomkins in New York

Continental Airlines, [illegible] Texas-based carrier that emerged from [illegible] second bankruptcy in April last year, yesterday reported an operating profit [illegible] $8.5m for [illegible] fourth quarter, compared with operating [illegible] $43.7m in [illegible] comparable 1992 period.

[illegible] net losses, however, rose from $13.9m [illegible] time [illegible] $26.5m, [illegible] $1.47 [illegible] share, but Continental [illegible] comparable period's results [illegible] favourably [illegible] by [illegible] worth [illegible] non-recurring adjustment [illegible] mainly related to litigation [illegible]

[illegible] the [illegible] months from [illegible] reorganisation [illegible] end of [illegible] it reported [illegible] meaningful comparison is [illegible] for [illegible] previous [illegible] the company [illegible] in Chapter 11 bankruptcy protection.

Mr Robert Ferguson, chairman [illegible] executive, [illegible] the fourth quarter's [illegible] evidence of [illegible] company's continuing [illegible] reductions [illegible] improved marketing.

[illegible] Continental put further [illegible] sure on [illegible] air fares by announcing [illegible] was increasing [illegible] cut-price [illegible] it [illegible] day [illegible] more [illegible] daily [illegible] departures.

The [illegible] it [illegible] compete [illegible] small, [illegible] Texas-based [illegible] Airlines, [illegible] transforming the [illegible] short-haul [illegible] by turning [illegible] into [illegible] frills commodity [illegible]

[illegible] yesterday Southwest, the only consistently profitable airline in [illegible] US, reported [illegible] surge in [illegible] from [illegible] time [illegible] for [illegible] quarter, lifting earnings [illegible] 26 cents. For the full year, net [illegible] rose by [illegible] per [illegible]

Sales rise, but Lilly still posts loss

By Richard Waters in [illegible] York

Eli Lilly, [illegible] drugs group, recorded faster-than-expected [illegible] growth of 9 [illegible] cent [illegible] $1.8bn in the last quarter of 1993 compared with [illegible] year [illegible] But $1.2bn [illegible] restructuring and other charges dragged [illegible]

The higher sales [illegible] supported by products such as Axid, Humatrope, [illegible] Vancocin, [illegible] company said. [illegible] Ceclor, an antibiotic which is Lilly's second-biggest product after Prozac, the anti-depressant, declined slightly during [illegible] year, it added.

Due [illegible] previously announced charges, the [illegible] reported a [illegible] for the quarter of $523.6m, or $1.77 [illegible] share. Excluding one-off items, [illegible] income would have [illegible] to $332.4m, [illegible] $1.14, [illegible] $311.1m, [illegible] $1.06, [illegible] Lilly [illegible] restructuring charges of [illegible] pre-tax.

[illegible] other companies, Lilly has experienced [illegible] slow-down in the [illegible] year [illegible] by [illegible] cent, held [illegible] by "downward pressure on prices resulting from Medicaid rebates, which increased to $156m, [illegible] greater participation in managed [illegible] programmes".

Sales outside the [illegible] grew by [illegible] cent, [illegible] overall [illegible] 5 per cent to $6.5bn. Pharmaceuticals [illegible] for $4.75bn, [illegible] 7 per cent, and medical devices and diagnostics – [illegible] disposal – [illegible] $1.25bn, up 4 per cent.

For [illegible] net [illegible] to [illegible] $1.63, from $709m, or $2.41, in 1992.

Euro Disney shares tumble

By Alice Rawsthorn in Paris

[illegible] Disney, the [illegible] group, yesterday saw [illegible] sharply [illegible] mounted [illegible] its financial rescue plans [illegible] inconclusive [illegible] meeting in [illegible]

[illegible] which [illegible] been highly [illegible] autumn [illegible] full [illegible] group's [illegible] problems [illegible] fell [illegible] per [illegible] close FFr2.70 lower at [illegible]

The fall was helped by the announcement that Euro Disney [illegible] further [illegible] the [illegible] quarter [illegible] December 31 [illegible] FFr553m [illegible] against FFr423m in the [illegible] of 1992.

[illegible] Disney's [illegible] had originally [illegible] meeting [illegible] plans [illegible] strategy in [illegible]

But KPMG [illegible] Marwick, their auditor, was unable to complete its financial analysis in time. The banks now plan to meet later this month when KPMG has completed its report.

KPMG's preliminary analysis of Euro Disney's position [illegible] greatly from [illegible] the [illegible] Walt Disney, [illegible] US [illegible] company.

However, sources [illegible] initial [illegible] group [illegible] need [illegible] capital injection [illegible] around FFr12bn to reduce [illegible] net debt, [illegible] Walt Disney's suggestion of FFr10bn.

UNP raises C$12.5m

International UNP Holdings, the Toronto stock exchange-listed company which specialises in buying control of and turning round medium-sized Polish companies, has raised C$12.5m (US$9.4m) by the private placement of 13.8m new shares, writes Anthony Robinson. The lead investor is Barings Investment Management, with shares worth C$7.86m.

Clouds roll in over Silicon Valley

The microprocessor market faces fierce competition, writes Louise Kehoe

Intel, the US semiconductor maker, unveiled some sparkling 1993 financial results: net income had jumped 115 per cent to $2.3bn and revenues had risen 50 per cent to $8.8bn.

The figures confirmed the Silicon Valley company's position as the world's largest and most profitable semiconductor manufacturer. But there are some clouds gathering.

Driving Intel's growth is its domination of the market for microprocessors that power personal computers. About 80 per cent of the 36m PCs sold last year contained an Intel microprocessor chip.

Yet recent setbacks have demonstrated the intense competition Intel will face in the year ahead, raising questions about how long the company can maintain its grip on the PC microprocessor market.

[illegible] Intel's [illegible] Pentium microprocessor

The latest bad news comes from one of several tangled legal disputes in which Intel has been attempting to prevent competitors from "cloning" its microprocessor chips.

Intel this week dropped patent infringement claims against Cyrix, a small Texas semiconductor company that has been selling its own versions of Intel's 486 microprocessor. Intel agreed to settle the dispute, granting Cyrix patent licences and paying the company $5m, contingent on an appeal of one aspect of the case.

While the [illegible] will enable Cyrix to compete more effectively with Intel, [illegible] importantly, it could open the way for larger chip manufacturers to compete with Intel.

As part of the settlement, Intel was obliged to provide Cyrix with a list of semiconductor companies that could [illegible] microprocessors [illegible] Cyrix' behalf, [illegible] they already hold [illegible] patents.

[illegible] include SGS Thomson [illegible] US [illegible] Instruments, [illegible] "a [illegible] other manufacturers". [illegible] companies, if they [illegible] partner Cyrix [illegible] clone designer, [illegible] significant [illegible]

[illegible] capitulation in [illegible] Cyrix [illegible] partly from [illegible] US Supreme Court [illegible] month not [illegible] appeal [illegible] in [illegible] Intel [illegible] attempting [illegible] prevent [illegible] competitor circumventing [illegible] by contracting with [illegible] microprocessors.

In the meantime, Intel's [illegible] busy in [illegible] re-trial of the company's technology licensing dispute with Advanced [illegible] Devices, a Silicon Valley neighbour and former Intel [illegible] partner.

This [illegible] will determine [illegible] AMD [illegible] continue [illegible] microprocessor chips incorporating [illegible] technology. If Intel wins, it [illegible] stop AMD in [illegible] But [illegible] from certain.

AMD [illegible] Intel's strongest competitor in [illegible] PC microprocessor [illegible] In [illegible] significant [illegible] Intel, Compaq Computer, [illegible] third largest PC [illegible] after IBM [illegible] Apple Computer, [illegible] it [illegible] buy, for [illegible] time, [illegible] microprocessor chips from AMD.

Although [illegible] expected [illegible] remain Compaq's principal supplier, [illegible] represents [illegible] strong [illegible] for [illegible] that could influence other [illegible] manufacturers.

In another development that [illegible] in the [illegible] term represent [illegible] far more serious threat [illegible] Intel, IBM [illegible] not taking up [illegible] option to manufacture, under licence, Intel's [illegible] Pentium microprocessors.

Instead, IBM will [illegible] its semiconductor production [illegible] "PowerPC" microprocessors, co-developed by IBM with Motorola and Apple Computer.

[illegible] decision confirms it now regards PowerPC [illegible] strategic microprocessor technology for [illegible] future. But it [illegible] it [illegible] large [illegible] growing [illegible] in [illegible] based [illegible] Intel chips, [illegible] expects [illegible] buy [illegible] quantities from Intel.

Despite [illegible] look, none [illegible] its competitors can [illegible] This year, for example, it [illegible] planning capital expenditures on new production plants and equipment [illegible] $2.4bn, a [illegible] 1993.

The capital injection will enable Intel [illegible] new generations of chips that [illegible] smaller, faster, [illegible] energy-efficient and less expensive [illegible] than [illegible] produced on [illegible] technologies, Mr Andrew Grove, president [illegible] executives, [illegible] industry analysts last [illegible]

This [illegible] Intel will greatly expand production of [illegible] Pentium microprocessors [illegible] "[illegible] million units". Mr Grove [illegible] he expected Pentium processor-based computers [illegible] represent 15 per cent of all PCs sold this year, up from only [illegible] 1 per [illegible] in 1993.

"So long as we don't [illegible] up, [illegible] will be very hard to catch," [illegible] Mr Grove.

Colgate advances 11% to $122m in fourth term

By Richard Tomkins

Colgate-Palmolive, the US consumer products [illegible] yesterday reported an [illegible] per cent [illegible] net [illegible] to $122.1m in the fourth quarter, helped by its largest unit volume growth of the year.

Earnings per share rose by 18 per cent to 78 cents with fewer shares in issue.

[illegible] Reuben Mark, chairman [illegible] executive, said every operating division [illegible] and overseas had [illegible] in [illegible] best volume performance [illegible] the [illegible] unit [illegible] rose by 7 per [illegible] turnover by [illegible] per [illegible] to $1.8bn.

The strongest growth [illegible] from Colgate's [illegible] markets in Asia, [illegible] Latin America. Thailand, Malaysia, Hong Kong [illegible] Australia produced combined volume growth [illegible] 17 per [illegible] and Latin America produced volume growth of 11 per [illegible] Hill's Pet [illegible] volume by 9 per [illegible]

Colgate's [illegible] markets did [illegible] well. In North America, [illegible] by 1 per cent [illegible] strong performance in [illegible] comparable quarter, and in Europe volumes [illegible] only 1 [illegible] cent [illegible] – although [illegible] was [illegible] first quarter in 1993 [illegible] an [illegible]

For the full year, unit [illegible] grew by 5 per cent and [illegible] by 2 per cent [illegible] $7.1bn. Excluding [illegible] charge [illegible] $358.2m for accounting changes, net [illegible] advanced [illegible] 15 [illegible] to [illegible] earnings per share by 16 per [illegible] to [illegible]

Canada ponders a multimedia link

Rogers and Maclean Hunter may join forces, writes Bernard Simon

The struggle for [illegible] in the fast-changing multimedia [illegible] in Canada has intensified, with Rogers Communications proposing a "strategic merger" with Maclean Hunter.

The outcome of what appears [illegible] an unfolding battle [illegible] control [illegible] MH [illegible] likely [illegible] be decided only partly by what is good [illegible] each company's shareholders.

Canadians [illegible] also expect [illegible] be bombarded over the next few weeks with opinions about how best [illegible] preserve some [illegible] their [illegible] treasured cultural icons, ranging from Maclean's, Canadian answer [illegible] Time magazine, [illegible] a string of radio [illegible] television stations.

Other weighty public policy issues will loom large in what Rogers [illegible] billing as Canada's opportunity [illegible] company able [illegible] stand up [illegible] the muscle of such global multimedia behemoths [illegible] Time Warner, [illegible] Corporation [illegible] Bertelsmann.

Rogers' proposal is certain to spark a debate about [illegible] relative merits of concentration of ownership [illegible] economies [illegible] scale in the media and cable-TV businesses.

If foreign partners or predators become involved in [illegible] fray, as some analysts predict, Canadians will also [illegible] confronted [illegible] the vexing [illegible] tion of foreign involvement in [illegible] institutions which help [illegible] the [illegible] themselves and their southern neighbours.

Rogers is expected [illegible] unveil [illegible] following [illegible] board meeting in Toronto this afternoon. It [illegible] already bought [illegible] per cent of [illegible] 210m shares on the open market.

To finance the cash part [illegible] its offer, Rogers [illegible] C$700m (US$526.3m) in [illegible] hand and [illegible] arranging [illegible] lines of C$2bn. It has indicated it will also include a parcel [illegible] own non-voting shares in [illegible] bid.

MH's [illegible] price has shot up in anticipation of [illegible] offer, boosting its [illegible] capitalisation in [illegible] past [illegible] days [illegible] C$2.85bn [illegible] about [illegible]

MH's US cable-television franchises in New Jersey, Michigan [illegible] Florida [illegible] to be worth between $1.5bn [illegible] These [illegible] could play a decisive role in the looming battle.

[illegible] Ted Rogers, founder, controlling shareholder and chief executive [illegible] the [illegible] which carries his name, [illegible] if his bid succeeds, [illegible] will sell the franchises [illegible] help [illegible] down [illegible] However, MH said this [illegible] had [illegible] Goldman [illegible] to explore the possibility [illegible] selling the [illegible] "with the objec[illegible] protecting [illegible] enhancing [illegible] value".

With [illegible] on the political ramifications [illegible] deal, Mr Rogers wrapped himself in a figurative maple [illegible] when he unveiled his plans late [illegible] Wednesday. [illegible] the "strategic merger", [illegible] said, was to [illegible] "a dynamic new Canadian multimedia [illegible] where [illegible] obviously far stronger [illegible] the parts".

[illegible] two companies combined [illegible] annual [illegible] about C$3bn. Their cable-TV systems [illegible] and [illegible] and a number of TV outlets.

MH publishes about [illegible] magazines [illegible] journals, and owns [illegible] per cent [illegible] the Toronto Sun.

Mr [illegible] Rogers [illegible] MH would [illegible] as a counterweight [illegible] Canada's powerful telephone companies, as [illegible] lines [illegible] communications, [illegible] and [illegible] ingly blurred.

[illegible] already has a minority stake in Unitel, [illegible] is trying [illegible] phone companies' iron grip on the long-distance [illegible]

Mr Rogers [illegible] out [illegible] prospect [illegible] cable-TV [illegible] the [illegible] companies [illegible] and [illegible] their Canadian operations. [illegible] cable systems [illegible] more than a [illegible] market, and [illegible] are contiguous.

[illegible] so far reacted [illegible] typical caution to [illegible] approaches. [illegible] noted [illegible] regulatory approvals will be required. [illegible] consider the proposal [illegible] light [illegible] strategic [illegible] tives, and with [illegible] view to the [illegible] of MH [illegible] shareholders".

[illegible] question [illegible] already being [illegible] as [illegible] whether [illegible] repository of Canadian culture like [illegible] should [illegible] to fall into [illegible] a [illegible] entrepreneur like [illegible] Rogers.

A columnist [illegible] yesterday's [illegible] & Mail [illegible] "It [illegible] hard [illegible] see what highly-[illegible] bringing [illegible] the [illegible] – [illegible] from yet [illegible] bridging [illegible] patient bankers. Why [illegible] Hunter reshape [illegible] future, [illegible] and [illegible] Mr Rogers whole?"

Investors reduce stakes in Argentine carmakers

By John Barham in Buenos Aires

THE controlling shareholders of Argentina's [illegible] makers have [illegible] they plan to continue reducing their [illegible] through block sales in the Buenos Aires [illegible] Exchange.

The announcements follow steadily growing [illegible] demand for shares [illegible] Ciadea, the locally-controlled company that makes [illegible] under licence from Renault of France, and for Sevel, which holds the Peugeot and Fiat licences.

Mr [illegible] Macri, Sevel's president, said the company's controlling investors plan to reduce their holdings [illegible] 60 per cent [illegible] Fiat of Italy holds [illegible] per [illegible] Sevel and the Macri family [illegible] 70 per cent. The remaining 16 per [illegible] in the market.

The Macri family sold 2.25 per cent of Sevel in [illegible] block [illegible] at the end [illegible] January [illegible] The buyers were not identified, but [illegible] be international investors [illegible] investment funds.

[illegible] Antelo, [illegible] president and principal [illegible] holder, said the Luxembourg-[illegible] Cofal company that [illegible] plans to continue selling [illegible] in block [illegible] to cut [illegible] holding to 51 per [illegible] from [illegible] per cent.

When [illegible] took [illegible] the company from [illegible] in 1992, [illegible] per [illegible] of its shares [illegible] in the Buenos Aires market and the remaining 72 per cent held by [illegible] by [illegible] ault, [illegible] Antelo and others.

[illegible] nearly [illegible] per [illegible] of Ciadea's equity in 10 block [illegible] through [illegible] Aires [illegible] exchange [illegible] end of November. Most was [illegible] London-based brokers Smith New Court [illegible] Securities.

EMC earnings growth exceeds expectations

By Louise Kehoe in San Francisco

EMC, [illegible] growing US [illegible] computer [illegible] storage and [illegible] systems, reported [illegible] per [illegible] jump in earnings [illegible] expectations.

EMC's products include data storage systems for [illegible] with IBM mainframe and mid-range computers [illegible] well as Unisys mainframes.

[illegible] the [illegible] the [illegible] reported [illegible] Net [illegible] the [illegible] $127m, [illegible] 60 [illegible] a share, compared with $29.5m, [illegible] a share, [illegible] 1992.

Fourth-quarter revenues more [illegible] income was $46.8m, or [illegible] up [illegible] $10.4m, [illegible] 6 cents, in [illegible] period [illegible]

EMC [illegible] a leader [illegible] the emerging [illegible] array market, [illegible] data storage systems [illegible] disk drives, [illegible] in personal computers. [illegible] arrays provide [illegible] as higher storage capacity [illegible] conventional [illegible] storage [illegible] at a [illegible] price.

EMC gained [illegible] share [illegible] and [illegible] year, [illegible] Mr Mich[illegible] Ruettgers, president and chief executive.

EMC [illegible] planning to [illegible] very high capacity data storage products [illegible] will [illegible] a broader segment [illegible] data storage market, added Mr [illegible] Ano, [illegible] vice-president [illegible] marketing.

In particular, [illegible] expects growing [illegible] high capacity storage systems [illegible] multimedia [illegible] tion highway applications, such [illegible] television.

Rubbermaid rises 15% in fourth quarter

By Richard Tomkins in New York

Rubbermaid, [redacted] household goods [redacted] America's "[redacted] company" by Fortune magazine last month, yesterday reported [redacted] 15 per cent increase in net profits [redacted] for the fourth quarter.

The company [redacted] reported a [redacted] increase in earnings for the full year, taking [redacted] income [redacted] $211.4m and maintaining the company's long-standing record of delivering annual earnings growth of around that level.

Earnings per [redacted] were 14 [redacted] for [redacted] quarter [redacted] and [redacted] per cent ahead for the year [redacted] $1.32, excluding [redacted] charge in the [redacted]vious year for accounting changes.

[redacted] shares rose [redacted] in early trading in [redacted] York.

Rubbermaid [redacted] its "most [redacted] company" [redacted] in [redacted] Fortune survey of 10,000 senior executives, outside directors and financial [redacted]lysts. The magazine [redacted] Rubbermaid's record of innovation in the manufacture [redacted] other[redacted] mundane goods like dustpans, [redacted] drainers and plastic storage [redacted]

Mr Wolfgang Schmitt, chairman and chief executive, [redacted] introductions [redacted] innovative products were one of [redacted] behind a 9 [redacted] growth in turnover [redacted] the quarter and [redacted] $1.96bn [redacted] the [redacted]

All [redacted] in [redacted] had resulted from volume growth, Mr Schmitt said, because productivity gains and [redacted] resin [redacted] produced cost savings [redacted] allowed [redacted] to keep prices [redacted]

Mr [redacted] said [redacted] growth had [redacted] helped by strong per[redacted] from the home prod[redacted] division and the Little [redacted] toys division. Specialty products and commercial prod[redacted] shown improve[redacted] and [redacted] products division [redacted] continued its recovery.

He said he looked forward [redacted] record performance in 1994 in spite [redacted] the slow [redacted] of growth in [redacted] world [redacted]

Steelmakers' optimism tempered by overcapacity

Surge in US demand masks problems, writes Richard Waters

After three [redacted] in which they racked up combined operating [redacted] any numbers not [redacted] in red ink are apt [redacted] make [redacted] US's large [redacted] companies feel almost light-headed.

But "Big Steel" – the collective [redacted] given [redacted] the country's [redacted] big integrated [redacted] – still [redacted] a long [redacted] to [redacted] to justify [redacted] optimism [redacted] has driven share prices in the sector [redacted] this [redacted]

Without doubt, the steel[redacted] look [redacted] better health [redacted] some years.

Buoyed by a [redacted] recovery that [redacted] lifted demand for [redacted] from the automobile, appliance and construction industries, they reported [redacted] combined operating profit of around [redacted] in the third quarter of last year – their first since the third quarter of 1990.

Operating profits [redacted] $150m in the final three months of the year.

The big companies – [redacted] Steel subsidiary, Bethlehem, LTV, Inland, [redacted] and [redacted] – [redacted] their [redacted] after the [redacted] the [redacted] downturn.

In the past [redacted] they [redacted] $1.5bn [redacted] ordinary and [redacted] preference [redacted] between them in [redacted] binge of capital raising. That is set to continue, with Armco and [redacted] of Japan [redacted] announcing plans for [redacted] recapitalisation ($315m [redacted] it equity) for their Armco [redacted] joint venture.

A sharp improvement in [redacted] steel market lies [redacted] the turnround, and investors' [redacted] for [redacted] steelmakers' shares.

Last [redacted] US [redacted] appliances [redacted] for flat-rolled steel, [redacted] staple prod[redacted] big steelmakers.

Mini-mills, which [redacted] from [redacted] in electric furnaces, [redacted] for structural products, [redacted] bars, though [redacted] targeted the [redacted]

[redacted] companies shipped [redacted] tons last year, according to a Salomon [redacted] estimate, [redacted] around [redacted] from [redacted] year before (which [redacted] higher than [redacted] trough of 1991).

The biggest growth [redacted] likely [redacted] in flat-rolled products, which account [redacted] around half [redacted] and sales of which grew by some [redacted] cent during [redacted]

Nor is there any sign of [redacted] surge in imports – though [redacted] may [redacted] if [redacted] dollar continues [redacted] strengthen.

[redacted] July, [redacted] the [redacted] International [redacted] Commission [redacted] confirm some of the tariffs which had been imposed on imports by the country's Commerce Department, the domestic industry braced itself for a new wave of imports.

It did not come. Imports remain at around 17 per cent of the US market, 10 points [redacted] than a [redacted] They could fall further, if US steel[redacted] increase their domestic output and stop importing semi-finished steel to feed their mills.

Perhaps even more important [redacted] the big producers, domestic rivals – which have provided tougher competi[redacted] than foreign [redacted] in [redacted] – have had their own problems.

The mini-mills have been hit by a sharp rise in the cost of scrap, [redacted] has wiped out much of their cost advantage.

"Some scrap prices are double what they were [redacted] year ago," says Mr John Jacobson, a consultant [redacted] Group.

The result has been a rapid increase in steel prices. Hot-rolled sheets were selling at $360 a ton at the end of last year, 20 per cent more than at the start of the year. The price of cold-rolled sheets had risen by 16 per cent, to $487 a ton. These price rises have yet to feed through fully into the steel companies' figures, however.

Many supply contracts have yet [redacted] be renegotiated. There have also been reports that big carmakers have succeeded in holding out against the full price rises.

It is not surprising the steel companies feel more optimistic than for some time. But their recovery needs to be put in context.

Steel prices are still well below the level reached in 1988 and 1989 – when steelmakers enjoyed a brief respite between the long slump of the early 1980s and [redacted] more [redacted] dip.

Slow economic growth in Europe and Japan, adding to the overcapacity in the worldwide steel industry, is likely to prevent prices rising much further.

The construction of new mini-mills in the US – some built by the big steel companies – will add to capacity over the next two years, further holding back prices.

In addition, the operating profits of the big steel companies look fragile when set against combined sales running at around $5bn a quarter. At the after-tax level, the steelmakers have yet to break back into profit (though that should come this year).

The big steelmakers also continue to be weighed down financially by the sort of problems that newer, low-cost rivals do not face. Bethlehem Steel took [redacted] $350m charge in the last quarter to cover restructuring in its structural products division, an area where [redacted] in most [redacted] competition from the mini-mills.

Falling long-term interest rates have pushed up the steelmakers' pension fund liabilities: Bethlehem pumped $260m into its pension fund in 1993, but still saw the fund's deficit rise to $1.6bn, from $1.2bn the year before. LTV, emerging from bankruptcy last summer, put $1.4bn into its pension plans, and intends to contribute $579m more this year.

Concerns like these have tempered optimism among the steelmakers, in spite of their full order books.

Hot metal: molten steel is poured into [redacted] continuous caster at a plant owned [redacted] Bethlehem Steel, one of the 'big six'

Inco loss deepens in final term to $39.2m

By Robert Gibbens in Montreal

[redacted] faced with the lowest nickel prices in six [redacted] posted [redacted] fourth-quarter [redacted] of US$39.2m, or 36 cents a common share, against [redacted] loss of US$30.1m, or 28 cents, a year [redacted] on [redacted] $516m [redacted] $612m.

Helped by a [redacted] third quarter, [redacted] nickel-copper-platinum producer reported [redacted] profit for all 1993 [redacted] $24m, or 22 cents, against a loss of [redacted] or 21 cents, on net sales of $2.13bn against $2.56bn.

The [redacted] were slightly worse than analysts expected. The figures are stated after preferred dividends in both years.

In 1993, Inco included [redacted] $187m gain from the sale of [redacted] subsidiary.

Realised nickel prices were [redacted] since [redacted] said [redacted]

[redacted] pound in the [redacted] quarter and [redacted] in all 1993, down [redacted] per [redacted] from 1992.

[redacted] output by 33m lbs last year and will make another cut of 40m lbs in the [redacted] quarter [redacted] year.

LME cash prices [redacted] strengthened recently and Inco [redacted] production plans for the remainder [redacted] are flexible.

ITT in line with expectations

By [redacted] in [redacted]

ITT, [redacted] conglomerate [redacted] operations spanning [redacted] services, [redacted] manufacturing, [redacted] market expecta[redacted] steady [redacted] in operating results in all [redacted] main business [redacted] in the final quarter [redacted] 1993.

After-tax profits for the period [redacted] $219m, or $1.67 [redacted] share, compared with [redacted] $617m a year before, when [redacted] company took [redacted] variety of charges [redacted] its [redacted] and [redacted] businesses.

[redacted] figures do [redacted] include figures for [redacted] forest products business, which ITT [redacted] in December will [redacted] spun [redacted] shareholders.

ITT Hartford, [redacted] group's insurance company, recorded [redacted] per [redacted] rise [redacted] operating income, excluding portfolio gains, largely as [redacted] result of improved underwriting experience [redacted] the casualty business.

Insurance earnings [redacted] $719m, while earnings in the consumer finance business rose [redacted] $271m from $175m.

Manufactured products, which [redacted] rise in operating earnings to $310m from $103m, [redacted] from higher [redacted] break sales in the US and cost reductions. These pushed up earnings [redacted] ITT Automotives by [redacted] per [redacted] year-on-year.

ITT [redacted] saw [redacted] 40 [redacted] improvement in earnings in [redacted] operations [redacted] year before, lifting operating earnings [redacted] the hotels business [redacted] from a loss of [redacted] the [redacted] before.

For [redacted] whole, ITT reported net income [redacted] compared with a [redacted] of $885m [redacted] year [redacted]

The company's [redacted] rose $1¼ to $100½ [redacted] early trading on Wall Street.

CAE takes C$429m charge

By Robert Gibbens

CAE, the international flight simulator maker, has taken a C$429m (US$327.4m) charge to cover problems at its US subsidiary, CAE-Link.

Link, acquired in 1988, has suffered a sharp decline in military simulator and flight training orders [redacted] past three years.

Mr [redacted] Caldwell, [redacted] president, said: "Virtually no new military programmes will be awarded before 2000 and this write-down aligns the value of Link with this outlook."

Link has halved its payroll [redacted] 3,800 and more jobs will be lost [redacted] year, [redacted] said.

However, [redacted] profits were improving and Link [redacted] navigation systems. The [redacted] backlog [redacted]

[redacted] special charge, [redacted] reported an [redacted] third quarter [redacted] C$419m, [redacted] share, against [redacted] profit of C$10.9m, or 10 cents, a year earlier, on revenues of C$264m, compared with C$254m.

The nine-month loss [redacted] C$405m, or C$3.73, against [redacted] profit of C$23.6m, or 22 cents, on [redacted] C$768m, up 5 [redacted] cent. [redacted] special charges, profit was [redacted] against C$32.7m.

CAE's Canadian business has been affected by lower commercial aircraft simulator orders.

[redacted] Rio Algom, [redacted] Canadian mining group, raised C$180m with [redacted] warrants, or C$23m more than originally [redacted]

● Canadian Pacific's Fording [redacted] unit is buying a large high-grade wollastonite deposit in north western Mexico. [redacted] mineral is used as a substitute for asbestos.

Reader's Digest advances 25%

[redacted] Digest exceeded Wall [redacted] by posting a [redacted] per [redacted] improvement [redacted] months [redacted] end-December, [redacted] Frank McGurty [redacted] New York.

[redacted] New [redacted] publishing [redacted] announced net income of $88.8m, [redacted] in [redacted] quarter.

This compared with $70.3m, or [redacted] cents, in the corresponding period in [redacted]

[redacted] an operating basis, profits were [redacted] per [redacted] after stripping out the [redacted] effect of currency [redacted]

INTERNATIONAL CAPITAL MARKETS

Treasuries tumble on mounting Fed rate fears

By Frank McGurty in New York and Antonia Sharpe in London

[illegible] Treasury bonds tumbled yesterday morning amid [illegible] lation that the Federal Reserve would boost short-term interest rates after the release of today's January employment data.

By 1pm, the benchmark 30-year government bond was $\frac{21}{32}$ lower at $99\frac{15}{32}$, with the yield rising to 6.325 per cent. On the short end, the two-year [illegible] was down $\frac{3}{16}$ [illegible] $99\frac{7}{32}$, to yield 4.281 [illegible] cent.

Although [illegible] timing of [illegible] by the Fed remained uncertain, some traders [illegible] convinced [illegible] come [illegible] than later. For many, this [illegible] impression left by Mr Alan Greenspan, the central bank's chairman, in his remarks to a congressional committee early this week.

Yesterday's economic news was inconclusive. [illegible] on, bond prices edged higher after the Labor Department said claims for unemployment benefit had jumped [illegible] 59,000 last [illegible]. However, [illegible] labour [illegible] contraction largely reflected frigid weather and [illegible] impact [illegible] Los [illegible] earthquake. Separately, [illegible] per cent [illegible] in December factory [illegible] strong, but in line with the consensus forecast of 1.4 per cent.

By mid-morning, bonds had [illegible] course and [illegible] declining steadily [illegible] warily turned their attention to today's payroll figures. Forecasts range from [illegible] gain of 165,000 to one of 200,000, which may give the Fed sufficient reason to [illegible] the [illegible] by [illegible] basis points.

GOVERNMENT BONDS

■ The Bundesbank's decision [illegible] German interest [illegible] unchanged after its fortnightly council [illegible] and [illegible] that the Federal Reserve was poised [illegible] weighed heavily on European government bonds markets yesterday.

Trading [illegible] Europe, and several exchanges reported record volume in government bond futures con[illegible].

Following the publication of worse-than-expected German M3 data for December yesterday morning, few participants in the German government bond market believed the Bundesbank would put its credibility at risk by cutting interest rates.

Nevertheless, they expressed their disappointment [illegible] driving bond prices lower, with short-dated maturities suffer[illegible] on four-year paper rose eight [illegible] points to 5.20 per cent, while yields on 10-year paper rose four basis points to 5.75 per cent.

Mr Julian Callow, European economist at Kleinwort Benson, said the German government bond market found [illegible] comfort in the Bundesbank's decision to return to [illegible] normal practice of announcing the terms of repo tenders on Tuesdays. The news raised hopes that the central bank could return to variable [illegible] pacts as early as next week. This would enable the market to nudge the repo rate lower.

The March bund future on Liffe dropped from the day's [illegible] 100.45 in heavy trading, to trade [illegible] down 0.68 on the day.

■ UK government bonds fell more than a point at the long end as the Bundesbank's decision to keep rates steady and worries about a rise in US rates dashed hopes of an early [illegible] cut in the UK. On Liffe, the March long gilt [illegible] plunged $\frac{21}{32}$ [illegible] close at $117\frac{21}{32}$. In the cash market, the benchmark 8 per cent gilt due 2013 dropped 1¼ point to 114¼.

■ Japanese government bonds and futures eased further in London following the news in Tokyo of a delay in the economic stimulus package due to opposition from the [illegible] the largest bloc in the coalition government.

The March government bond future on Liffe traded at 113.79, down 0.61 on the day, and compared with [illegible] close of 113.85 in Tokyo.

SG Warburg leads quiet day with £125m offering

By [illegible] Middelmann

In [illegible] quiet day in [illegible] Eurobond market, [illegible] S. G. Warburg [illegible] capital in the sterling bond market with an issue of subordinated debt. The £125m offer[illegible] of subordinated perpetual bonds pays a coupon of 9 [illegible] cent and is priced to yield [illegible] basis points over the 8¾ per cent gilt due 2017.

The spread tightened [illegible] 220 basis points [illegible] the [illegible] towards the close.

Market participants [illegible] most of the paper was likely to have been pre-placed by lead manager S. G. Warburg Securities. According to an official there, most of the bonds went to investors in the UK and the Channel Islands, although he also reported some continental buying.

The [illegible] in gilts, [illegible] fell by more [illegible] point [illegible] end, sent [illegible] bling [illegible] cover positions in recently issued paper. Jittery [illegible] interest rate [illegible] limit further [illegible] in [illegible] near term, traders said.

In [illegible] D-Mark sector, Dresdner International Finance issued DM100m of so-called leveraged 10-year floating-rate notes. The notes pay [illegible] fixed coupon of 5¾ per cent for the first two years, and two times

INTERNATIONAL BONDS

6-month Libor minus 6.9 per cent for the third year.

According to lead [illegible] Dresdner Bank, the notes are structured so that their price rises as long-term [illegible] rise. They are [illegible] who expect [illegible] short- [illegible] long-term [illegible] rise, although investors are protected from [illegible] by [illegible] two-year fixed-rate coupon.

The structure is the mirror [illegible] of the so-called reverse floaters, which have gained popularity [illegible] the [illegible] years. According to the [illegible] manager, the leveraged floater effectively represented the "synthetic [illegible] eight-year [illegible] result of a double long position in an FRN and a short position in [illegible] bond with [illegible] fixed coupon of 6.9 per cent".

It is a typical bear-market instrument, and is "ideal as part of [illegible] portfolio of fixed income [illegible] – it [illegible] a hedge instrument for fixed coupon bonds," said the lead manager.

The other structured D-Mark deal was a DM100m 10-year [illegible] floating [illegible] for the World [illegible] via Mitsubishi Bank. The bonds pay a floating-rate coupon [illegible] 27½ [illegible] points above [illegible] Libor for the first five years, and then a fixed coupon of 6⅝ per cent. They [illegible] after five years.

The [illegible] manager [illegible] the bonds were placed with institutions in continental Europe and Japan.

"It's an odd view to take – most people expect rates to fall first and then to rise, so you have the worst of both worlds if you hold this paper," said one trader. "Mitsubishi Bank probably identified specific demand for this type of paper from an investor and tailored the deal around that," he said.

In the French franc sector, French carmaker Renault [illegible] FFr2bn of 10-year bonds via Société [illegible]. The [illegible] were [illegible] to [illegible] 56 basis points over the 5½ per cent OAT due 2004 and closed at that spread. According to the lead manager, the bonds met good demand, mainly from French investors attracted by the yield pick-up.

NEW INTERNATIONAL BOND ISSUES

Borrower	Amount m.	Coupon %	[illegible]	[illegible]	Fees %	Spread bp	Book runner
US DOLLARS							
Hong Kong China Treasury(a)+§	120	2.00	[illegible]	[illegible]	[illegible]	-	[illegible] Secs.Bank(Switz.)
Kolon Industries(b)§	50	(¼-½)	[illegible]	Dec.2004	2.50	-	Ssangyong [illegible] Europe
[illegible]	50	6.50#	99.50R	Feb.1999	[illegible]	+060(5¾-99)	Paribas Capital Markets
D-MARKS							
World Bank(c)‡	100	[illegible]	[illegible]	[illegible]	[illegible]	-	Mitsubishi Bank(Deutsch.)
Dresdner Intl.Finance Dublin‡	100	[illegible]	101.20	Mar.2004	1.50	-	Dresdner Bank
STERLING							
SG Warburg Group(f)	125	[illegible]	[illegible]	[illegible]	0.75R	[illegible]7)	SG Warburg Securities
[illegible] & [illegible]	100	[illegible]	99.81R	[illegible]	undisd.	-	Kleinwort Benson
FRENCH FRANCS							
Renault	2bn	[illegible]	[illegible]	[illegible]	0.375R	[illegible] (5½%-04)	Société Générale
LIRE							
BHF-Bank	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	Banca Commerciale Italiana
ESCUDOS							
European Investment Bank	15bn	8.20	101.125	Feb.2001	[illegible]	-	Deutsche Bank de Inve.

Final terms and non-callable unless stated. The yield spread (over relevant government bond) at launch is supplied by the lead manager. +Private placement. §Convertible. ‡Floating rate note. #Semi-annual coupon. R: fixed re-offer price; fees are shown at the re-offer level. a) Conv price: HK$5.172. FX: fixed on 7/2/94. Puttable on 31/12/97 at 117⅝%. Callable from 31/12/94 subject to 130% rule. b) Fixing: 7/2/94. Conv premium 20-30%. Callable from 22/2/95 subject to 130% [illegible] c) Callable in 5 yrs at par. d) 6-mth Libor +0.275% for 1st [illegible] yrs and 6⅝% fxd thereafter. e) 5¾% fxd for 1st 2 yrs and 2 x [illegible] Libor - 6.9% thereafter. f) Callable from 18/2/99 at higher of par or gilts flat. Callable from 17/2/24 at par. g) Fungible with outstanding £150m. h) 3-mth Libor +0.1%.

Congo forced to relaunch $600m structured deal

By Sara Webb

A complex structured bond [illegible] for the Republic of [illegible] Congo, which was intended to raise $600m from international investors, has had to be completely revamped and relaunched due to lack of [illegible] demand for [illegible] original product.

Qwinzy Capital Group, [illegible] Hong Kong-based broker, announced [illegible] month it had bought [illegible] bonds, with [illegible] of $600m. It had hoped to place them with specialist [illegible] market [illegible].

Qwinzy originally structured the deal in the form of zero-coupon "energy receivables" bonds maturing in [illegible], when [illegible] bond proceeds [illegible] using royalty payments from Agip, [illegible] Italian oil company with drilling rights in [illegible] republic. The zero-coupon bonds were forecast to yield between 9 and 11 per cent, according to Qwinzy.

Because of the low level of [illegible] interest, Qwinzy, which initially purchased the bonds in a bought deal, has renegotiated a lower purchase price for the bonds, according to Mr Neil Miller, managing director of Anglo-Oriental Investments, the London arm of Qwinzy. He [illegible] the original [illegible] Qwinzy's [illegible] the Congo allowed [illegible] renegotiation [illegible] terms in [illegible] of placement problems.

The new-look structured deal consists of Congo bonds securitised by 10-year [illegible] Treasury bond principal (bonds stripped of their coupon, and carrying [illegible] triple-A credit rating) with a 10 per cent coupon made up of the Agip "receivables" or royalties.

As a [illegible] restructuring, the Congo will receive about $250m instead of the estimated $500m in the original deal.

Futures exchanges open year with record month

By Laurie Morse in Chicago [illegible] Tracy Corrigan in London

After [illegible] record year for futures business in 1993, some of the world's leading futures exchanges had [illegible] in January.

Volume [illegible] the Chicago Board of Trade, [illegible] busiest exchange, jumped [illegible] in January, [illegible] and options contracts, after setting a world volume record of 178m [illegible] in [illegible].

The [illegible] Mercantile [illegible] said it [illegible] 14.2m futures and options contracts in January, a 21 per cent increase over last January. However, for the first time it included turnover linked to options expirations, options exercises, deliveries, and other off-floor [illegible]. [illegible] new accounting methods, CME volume [illegible] 13.3m contracts, [illegible] per cent gain.

The London International Financial Futures [illegible] Options Exchange, [illegible] world's third-largest futures exchange, traded [illegible] 12.6m contracts in January.

WORLD BOND PRICES

BENCHMARK GOVERNMENT BONDS

		Coupon	Red Date	Price	Day's change	Yield	Week ago	Month ago
Australia		9.500	08/04	[illegible]	[illegible]	8.21	8.18	[illegible]
Belgium		7.250	04/04	105.1100	[illegible]	[illegible]	6.52	[illegible]
Canada *		7.500	[illegible]	107.5300	-0.050	6.45	6.40	6.66
Denmark		7.000	[illegible]	106.8200	-0.450	6.12	6.05	6.13
France	BTAN	8.000	05/98	110.8200	+0.100	[illegible]	5.12	[illegible]
	OAT	5.500	04/04	[illegible]	[illegible]	5.88	[illegible]	[illegible]
Germany		6.000	09/03	[illegible]	[illegible]	5.74	[illegible]	[illegible]
Italy		8.500	[illegible]	[illegible]	-0.220	8.38†	8.41	8.58
Japan	No 119	4.800	06/99	108.1350	[illegible]	[illegible]	2.91	2.35
	No 157	[illegible]	03/03	107.0540	[illegible]	3.50	3.39	[illegible]
Netherlands		5.750	[illegible]	100.2000	[illegible]	[illegible]	[illegible]	[illegible]
Spain		10.500	10/03	117.3500	-0.400	7.87	7.85	[illegible]
UK Gilts		9.750	01/98	113-05	-10/32	5.77	5.75	[illegible]
		6.750	[illegible]	[illegible]	[illegible]	6.39	[illegible]	[illegible]
		9.000	10/08	121-16	-32/32	[illegible]	6.51	6.55
US Treasury *		5.750	[illegible]	99-31	-3/32	5.75	5.71	5.83
		6.250	08/23	99-09	-	6.31	6.31	6.37
ECU (French Govt)		6.000	04/04	99.5700	[illegible]	6.05	[illegible]	[illegible]

London closing, *New York mid-day. Yields: Local market standard.
† Gross annual yield (including withholding tax at 12.5 per cent payable by nonresidents)
Prices: US, UK in 32nds, others in decimal. Source: MMS International

US INTEREST RATES

Lunchtime rates		Treasury Bills and Bond Yields			
		One month	3.08	Three year	4.51
		Two month	3.08	Five year	5.17
Prime rate	6	Three month	3.19	10-year	5.75
Broker loan rate	5	Six month	3.38	30-year	6.31
Fed.funds	3⅛	One year	3.67		
Fed.funds at intervention	-	Two year	4.28		

BOND FUTURES AND OPTIONS

Italy

■ NOTIONAL ITALIAN GOVT. BOND (BTP) FUTURES (LIFFE)* Lira 200m 100ths of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Mar	118.65	[illegible]	-0.51	119.00	118.07	70161	61231
Jun	[illegible]	118.56	-0.49	118.22	[illegible]	582	6045

FT-ACTUARIES FIXED INTEREST INDICES

Price Indices UK Gilts	Thu Feb 3	Day's change %	Wed Feb 2	Accrued interest	xd adj. ytd		Low coupon yield Feb 3	Feb 2	Yr. ago	Medium coupon yield Feb 3	Feb 2	Yr. ago	High coupon yield Feb 3	Feb 2	Yr. ago
1 Up to 5 years (26)	129.05	-0.11	129.22	1.68	1.23	5 yrs	5.74	5.69	[illegible]	5.97	5.91	6.97	6.08	6.02	[illegible]
2 5-15 years (21)	160.29	-0.46	161.03	1.47	[illegible]	15 yrs	[illegible]	6.47	8.06	[illegible]	6.59	[illegible]	6.83	6.75	8.83
3 Over 15 years (6)	[illegible]	[illegible]	187.32	1.28	1.78	20 yrs	[illegible]	6.57	8.39	6.66	6.60	8.73	[illegible]	[illegible]	8.91
4 Irredeemables [illegible]	223.89	-1.19	226.58	2.60	0.00	Irred.†	[illegible]	6.65	[illegible]						
5 All stocks (60)	165.31	-0.42	165.98	1.55	1.67										

FT FIXED INTEREST INDICES

GILT EDGED ACTIVITY INDICES

FT/ISMA INTERNATIONAL BOND SERVICE

UK GILTS PRICES

Other Fixed Interest

RJB Mining pays £4.7m for ICI arm

By Michael Smith

RJB Mining yesterday pleased the market by announcing the £4.7m acquisition of a coke and chemical company from Imperial Chemical Industries. It also forecast pre-tax profits for 1993 of £12.2m, ahead of analysts' expectations.

The shares rose 15p to 390p.

RJB is placing and offering 4.1m shares, representing 10 per cent of the existing total, at 340p to finance the acquisition and raise £9.3m.

BZW has placed 2.09m shares firm [redacted] investors and the [redacted] is [redacted] on a conditional basis, subject to clawback from [redacted] under the [redacted] on a 1-for-10 basis.

Some £3m [redacted] proceeds will [redacted] used [redacted] develop [redacted] Clipstone colliery [redacted] Nottinghamshire, recently leased from British Coal. The remainder will be used to provide working capital and [redacted] about 40 per cent, [redacted] December 31 [redacted].

Separately, British [redacted] reach lease [redacted] licence arrangements with RJB for [redacted] Rossington pit [redacted] Yorkshire. It [redacted] that [redacted] Investments was the preferred candidate [redacted] Markham Main pit, another colliery which [redacted] hoped [redacted] mine.

[redacted] acquisition [redacted] Monckton Coke and Chemical provides RJB with [redacted] Clipstone and [redacted] other pits. [redacted] of [redacted] a year, mainly to manufacture coke and smoke-[redacted] for industrial and household markets.

RJB [redacted] Clipstone [redacted] produce [redacted] and up [redacted] 500,000 annually thereafter.

Monckton [redacted] based [redacted] Barnsley, Yorkshire, and employs 190 people. The core management [redacted] will be retained. It [redacted] trading profits of about [redacted] year, [redacted] turnover [redacted].

Mr Richard Budge, [redacted] executive, [redacted] yesterday he [redacted] confident [redacted] profit [redacted] than £1m could be [redacted] Monckton. Production inefficiencies [redacted] reduced through the supply of coal from Clipstone.

RJB's [redacted] for 1993 pre-tax profits is 10 per cent up on the previous year's £11m. Pro forma earnings per share are expected to be 22.7p, with a final dividend of 7p, making 12p for the full year.

ICI's disposal was prompted by the company's restructuring. ICI Chemicals and Polymers previously made significant purchases from Monckton for its soda ash operations, but these were divested in 1991.

Further disposals foreseen this year

By Daniel Green

ICI's [redacted] of its last [redacted] yesterday [redacted] only [redacted] disposal in [redacted] that has been running for [redacted] years and [redacted] to continue through 1994.

The company is in the process [redacted] fewer [redacted]. It [redacted] to be [redacted] only in areas [redacted] a [redacted] leader and has global [redacted].

[redacted] of [redacted] which it is either negotiating a sale or looking for a buyer. They include:

● Polypropylene, which BASF [redacted] Germany is [redacted] buy. With annual sales of more than £100m, ICI could be hoping [redacted] something approaching [redacted] sum in payment. But [redacted] is dogged by [redacted] city and [redacted] with [redacted] have dragged on for a year. This week [redacted] company said [redacted] were now in their "final stage".

■ Polypropylene film [redacted] a slightly smaller [redacted] turns the raw plastic into the [redacted] crisp packets and cigarette packet wrapping. Without [redacted] polypropylene [redacted] supply it, it [redacted] be [redacted] candidate [redacted] disposal.

■ Fertilisers, part of chemicals and polymers, could [redacted] be sold to [redacted] Finnish state-owned [redacted] in 1991 when [redacted] Monopolies and Mergers Commission judged that, among other things, the sale was tantamount to nationalisation. The business has [redacted] shrunk as it has been [redacted] by falling demand from European farmers conforming to Community Agricultural Policy. The Indian fertiliser business was sold last month for about £25m.

● Advanced materials is also a non-core business, and most of it has been sold or closed. What remains is the Arizona-based Fiberite which supplies parts to the US aerospace industry. Disposal talks were revealed last year, although no buyer was named.

● Petrochemicals was, a decade ago, the company's biggest single division. Now it is focused on just a handful of activities of which non-core areas include production of ethylene and its derivatives.

● ICI Australia, 63 per cent owned by the parent company, has ploughed an independent furrow for many years. The result is that the shape of the business is very different from that controlled from the UK. Last year [redacted] reorganisation put the whole of ICI's Asian businesses under Australian command and the pressure is on to clarify which industrial strategy it is following.

ICI confirmed yesterday that a string of disposals was planned for later this year, although it declined to specify which businesses would go.

Texan stands up to challenge of making oil float

Peggy Hollinger on [redacted] US company seeking £18m through a listing

Mr Eugene Fiedorek is either a masochist or a missionary. In each [redacted] his encounters with institutional investors in recent weeks, he and his colleagues have faced [redacted] barrage of hostile questions [redacted] their motives for floating a US-based company in the UK. [redacted] he still comes back for more.

Mr Fiedorek, a silver-haired 62-year-old Texan, is the man behind Energy Capital [redacted] Company, which is raising an estimated £18m through an institutional placing.

The company, designed to be wound up [redacted] eight [redacted] if shareholders approve, has been set up to meet the demand for financing of smaller independent oil and [redacted] producers in the US.

The argument is that smaller producers are missing out on a $10bn [redacted] the leading oil companies abandon uneconomic production in the US.

Smaller operators, with their [redacted] greater flexibility, are better placed to squeeze production out [redacted] properties.

However, banks will rarely lend more than 65 per cent of the value of proven producing [redacted], leaving the operator unable to exploit the potential of [redacted] but undeveloped [redacted].

Since [redacted] Mr [redacted] and [redacted] colleagues – all former [redacted] of [redacted] in Texas – have been providing debt and equity finance for the oil and gas sector through EnCap, their US fund management vehicle. They [redacted] track record of [redacted] financings totalling $1.6bn.

However, so [redacted] they [redacted] managed [redacted] raise the funds directly from investors, without recourse [redacted] a public market.

The decision [redacted] go after a listing in the UK – to broaden the investor base, according [redacted] EnCap - has been [redacted] with some trepidation by gun-shy institutions. [redacted] have had their [redacted] burned by the raft [redacted] small US-based explorers, [redacted] during the so-called [redacted] bubble [redacted] the mid-1980s, which [redacted] lived [redacted] expectations.

ECIC and [redacted] that [redacted] concern [redacted] misplaced in this [redacted]. Flotation, they [redacted] appropriate [redacted], given the UK investment climate.

The partnership [redacted] by EnCap with US [redacted] not attractive to [redacted] institutions who [redacted] have to file tax returns [redacted]. Partnerships [redacted] exempt from [redacted] in [redacted] and not here. Finally, investors [redacted] companies would have [redacted] write [redacted] the total value [redacted] in non-quoted vehicles.

Gary Petersen (left) and Eugene Fiedorek boast track record of assisted financings totalling $1.6bn

Mr Fiedorek [redacted] not perturbed by the cynics, [redacted] though ECIC has had to look [redacted] for [redacted] half the funds needed in the [redacted] of a rush [redacted] UK [redacted].

[redacted] ECIC [redacted] a welter of [redacted] which will help to balance the risk of investing in oil and gas.

First, ECIC has sought to bolster its nine-strong board with names such as Sir Peter Cazalet, former deputy chairman of British Petroleum and [redacted] Tudball, chairman of [redacted] Baltic Exchange.

The company also intends [redacted] exploration and fund only [redacted] supported by [redacted], although possibly undeveloped, [redacted].

Financing will [redacted] through debt, equity [redacted] both, [redacted] project will [redacted] a pre-tax return [redacted] 20 [redacted] cent, [redacted] says. Repayment of the earliest investments will [redacted] allow [redacted] recycle [redacted] into new projects. Independent surveys will be [redacted] of proposed investments by institutionally approved engineers.

All investments will [redacted] made alongside [redacted] partnership in the US, which includes Lincoln National [redacted] Insurance, [redacted] of the largest life companies in the US, and EnCap.

The projects [redacted] ECIC by EnCap, which will monitor each investment on [redacted] quarterly basis. In return EnCap [redacted] receive [redacted] annual management fee equal [redacted] 1 [redacted] cent of the company's [redacted] value. At the end of the company's life, or in [redacted], EnCap will be entitled to 25 [redacted] cent of the increase [redacted] the [redacted] asset value, after allowing for an 8 per cent annual rate of return.

Management fees totalling 0.8 per [redacted] net [redacted] value will [redacted] payable to ECIC's sponsors, the [redacted] corporate finance boutique, Rauscher [redacted] & Clark, and its corporate manager Abtrust, a subsidiary of Aberdeen Trust.

While some observers have suggested that the number of parties benefiting from the [redacted] structure may be somewhat high, "if they can fulfil their promises ... who says they shouldn't get paid?" said [redacted] analyst.

[redacted] the end [redacted] the day, even ECIC with all [redacted] checks and balances cannot escape the speculative [redacted] of oil and [redacted] investment.

The [redacted] expected [redacted] detail a number of dangers, from government regulation and price volatility [redacted] simply drilling [redacted] dry hole. There [redacted] significant currency [redacted] UK investors.

"The risk profile of oil and gas [redacted] to me that they [redacted] get all the investments right," [redacted] one cautious analyst [redacted]. "It [redacted] the [redacted] they [redacted] get right will have [redacted] go even better [redacted] their promises [redacted] investors."

NEWS DIGEST

Finelist [redacted] £2.3m for the year

Finelist, [redacted] automotive parts distributor coming to the market later this month, yesterday forecast pre-tax profits [redacted] year [redacted] 30.

The company is expected to be floated in the last week of the month by [redacted] of a placing to raise between £5m and £6m [redacted] new money.

Finelist, which will [redacted] market value of £20m, has [redacted] outlets, including 25 franchises, trading principally under the [redacted] name.

It hopes [redacted] expand its [redacted] work [redacted] 120 [redacted] the next [redacted] years.

BZW [redacted] acting as broker [redacted] the flotation, which is being sponsored by NatWest Markets Corporate Finance.

County Smaller considers share issue

County Smaller Companies Investment Trust is considering [redacted] capital through [redacted] shares. Any issue will [redacted] to [redacted] dilution [redacted] the [redacted] attributable [redacted] shareholders.

Lazard High Income net assets rise

For the first five months [redacted] its life, to December 31, Lazard High Income Trust achieved after-tax revenue of £725,000, equal to earnings of 3.19p per share. Net asset per share at the period-end stood at 105.35p. At end-January that figure had improved to 122p.

Directors said income generated [redacted] was running ahead of the level required to [redacted] dividend [redacted] made at the time of the launch. A first interim of 1.6p was paid in January.

Hong Kong Inv Tst net [redacted] leap

[redacted] Investment Trust reported [redacted] value of 109.3p per share as at December 31.

The figure represented a substantial advance on values of 60.6p at the trust's year-end in June and 44.4p [redacted] the [redacted] 1992.

Net revenue was flat [redacted] £178,996 (£179,406) for earnings [redacted] 0.89p [redacted] per [redacted]. The interim dividend is maintained at 0.75p.

TR City net asset value advances

The first half to December 31 at TR City [redacted] London Trust ended with net asset value per [redacted] up 27 per [redacted] from 125.69p to 159.39p.

Retained revenue came to £103,000, compared with [redacted] £705,000 deficit previously.

As already announced, the [redacted] interim payment [redacted] 1.23p brings the dividend for the year so far to 2.46p (2.38p). Earnings per share amounted to 2.51p (2.01p).

Utd Newspapers expands in Asia

By David Blackwell

United Newspapers, publisher [redacted] the Daily and Sunday Express, yesterday acquired a Hong Kong [redacted] fair group as part of its strategy of expanding [redacted]

Earlier this [redacted] United announced a further push into the US advertising periodicals [redacted] with the $100m [redacted] acquisition of Harmon Publishing Company.

United is paying an initial $35m cash [redacted] Hong Kong International Trade Fair Group. A further [redacted] exhibition [redacted] certain [redacted] year and in [redacted]

Mr Graham Wilson, [redacted] ing [redacted] United, [redacted] the industrial logic [redacted] the deal was very strong. The [redacted] third biggest exhibition organ- [redacted] in the US, would [redacted] ing into the heart of the growing Asean [redacted]

United also [redacted] it [redacted] acquired the [redacted] per [redacted] shares in Asian [redacted] Press that it [redacted] not already [redacted] It has held [redacted] per cent stake since 1974.

Mr Wilson [redacted] the [redacted] nesses would work closely together to exploit joint opportunities in the region. United as a [redacted] would put [redacted] ing emphasis "on developing titles and [redacted] in [redacted] which [redacted]"

HKITF [redacted] exhibitions serving the leather, shipping, cosmetics, tanker and [redacted] markets. In the [redacted] to end-December it made pre-tax profits [redacted] $2.74m on [redacted]

No figure has been given [redacted] the purchase [redacted] ABP shares, although Mr [redacted] it [redacted] a quarter [redacted] the price paid for HKTIF.

ABP publishes controlled circulation business magazines [redacted] travel, [redacted] computing and broadcasting markets, [redacted] well [redacted] guides.

Last [redacted] launched a £190m [redacted] call, United [redacted] that [redacted] opportunities for expanding existing publishing [redacted] exhibition [redacted] were being "actively pursued in [redacted] and Far East".

Lower provisions leave Britannia BS [redacted] £81m

By Alison Smith

A fall in provisions for bad [redacted] by Britannia Building Society, the UK's ninth largest society, was behind [redacted] 32 [redacted] in pre-tax profits [redacted] £66.7m to £80.8m for the year to end-December. Capital and [redacted] provisions were [redacted] from £72.1m [redacted]

[redacted] from Britannia Life, the life [redacted] and investment subsidiary, rose by only [redacted] 000 to £15.1m, [redacted] the increase in sales [redacted] investment products, such as unit trusts, in [redacted] market generally.

Mr [redacted] chief executive, said the strong performance showed that it could [redacted] effectively [redacted] the limited signs of improvement in the [redacted]

Its performance [redacted] arrears and [redacted] had [redacted] marked improvement, he [redacted] and the situation [redacted] be expected [redacted] improve further with low interest [redacted] and [redacted] ble house prices.

[redacted] highlighted Britannia's strategy [redacted] widening [redacted] distribution channels, following [redacted] programme [redacted] branch [redacted] and head [redacted] redundancies in [redacted]

Mr Heaps said [redacted] size of Britannia Life's profits had been affected by [redacted] as a fall in long-term interest [redacted] and [redacted] discount based on the mix of [redacted] in the life fund.

Group assets at [redacted] 31 were [redacted] (£10.4bn) and retail balances rose [redacted] 6 per cent to £7.3bn [redacted]

Total mortgage lending rose by [redacted] per [redacted] to £1.4bn (£1.1bn).

Administrative [redacted] remained [redacted], and [redacted] cost [redacted] income ratio, [redacted] per cent (47.1 per cent).

Cluff shares up 25% on Ghana mine finance deal

By Kenneth Gooding, Mining Correspondent

Shares in Cluff [redacted] rose 25 per cent to 50½p yesterday after the London-based company announced [redacted] it had arranged finance for a gold mine [redacted] produce between [redacted] and 30,000 troy ounces [redacted] year in Ghana.

Mr [redacted] Cluff, chairman, said the project, when in full production at the end [redacted] this year, would boost the company's annual gold output [redacted] 125,000 [redacted] and take [redacted] into another emerging market in [redacted] Current production amounts to between [redacted] and [redacted] ounces from its Zimbabwe mine.

Cluff estimates it will cost $6.8m (£4.53m) for the open pit mine and heap leach operation [redacted] Ayanfuri, west of Dunkwa in central Ghana. Cluff will own [redacted] per [redacted] of the operating company and the Ghana government 10 per [redacted]

[redacted] 17,300-ounce gold loan has been [redacted] in London by Barclays Precious [redacted] bearing interest of about [redacted] per cent [redacted] repayable over three [redacted]

To minimise [redacted] exposure [redacted] the gold price, Cluff has put [redacted] three-year hedging programme in place, involving 61,000 ounces [redacted] with an initial floor price of $390 [redacted] ounce. [redacted] its total [redacted] Ayanfuri [redacted] to be [redacted] ounce.

[redacted] reserves [redacted] Ayanfuri [redacted] ounces, giving [redacted] mine life of 10 years, while the underlying sulphide [redacted] resources of 288,300 [redacted]

CFS commands sharp premium

Shares in Computerised Financial Solutions, which [redacted] support and administrative services [redacted] financial institutions and manufacturers, closed at 125p [redacted] first day of [redacted], having risen as high as 128p.

Shares in the USM-quoted company were placed at 90p.

Upton & Southern acquires Reject Shop

By Chris Tighe

Reject Shop, the USM-quoted furniture and household goods retailer which [redacted] suffered mounting [redacted] through [redacted] acquired for £2.5m by Upton [redacted] Southern Holdings, the Middlesbrough-based department [redacted] group revitalised by new manage- [redacted]

Mr Jeffrey Gould, Upton's chief executive, said Reject Shop, heavily focused on south-east England and the recession-prone [redacted] old first time housebuyer, [redacted] erred by trying to move upmarket.

Upton planned [redacted] prices and rationalise [redacted] product range, turning Reject Shop into a town centre rival to Ikea. "The idea is to be very competitive," he said.

The enlarged group will have a market capitalisation of about £13m, annual turnover [redacted] 36 [redacted], including the [redacted] Shop chain. Upton's value before the purchase was £5.37m. Reject Shop will be Upton's core business.

The offer consists of [redacted] 5p Upton shares for every five Reject Shop shares valuing them at 22.4p, [redacted] discount of about 60 per cent on Wednesday's [redacted] There [redacted] partial cash alternative.

In addition, four Upton shares [redacted] offered for [redacted] three Reject Shop [redacted] preference shares, valuing them at 49.7p for [redacted] total [redacted] £179,000. Reject Shop's ordinary shares lost 21p [redacted], while Upton [redacted] 1p to 6p.

Upton has received irrevoca- [redacted] undertakings from holders of [redacted] per [redacted] the ordinary [redacted] and [redacted] the preference. Most [redacted] shares are [redacted] by Reject's founders and co-chairmen, Mr Anthony [redacted] and his [redacted] wife, Mrs Anna Vinton.

To fund [redacted] buy Upton [redacted] raising [redacted] net £4.5m through [redacted] rights [redacted] to 17.3m [redacted] at 30p each. [redacted] consolidation [redacted] 10 0.5p [redacted] into one [redacted] share. The [redacted] underwritten by Townsley & Co.

Founded in 1973, Reject Shop initially [redacted] seconds, but [redacted] moved into [redacted] perfect stock. The [redacted] will be retained, [redacted] initially, although one London [redacted] will [redacted] renamed pilot unit.

[redacted] Reject Shop was [redacted] heavy in management. A hard view would be [redacted] of [redacted] Upton has been looking at Reject since July but it had [redacted] a struggle to complete the deal. "The [redacted] price [redacted] agreed in my opinion [redacted] value [redacted] In their opinion it [redacted]"

Mr Jim Hodkinson, the former international development director at Kingfisher and former [redacted] deputy chairman and chief executive, will remain Upton's chairman. [redacted] Vinton has been offered a [redacted] tive directorship, and [redacted] rey Frost, Reject's managing director, will [redacted] director. Mr Ian Steven, at present a non-executive director of Upton, will become finance director.

Trevor Humphries

Jeffery Gould: it had [redacted] to complete the [redacted]

Mr Hawser will [redacted] longer be involved in the business he built into [redacted] national name. "It's a [redacted] and an opportunity," he said. He had been impressed by Mr Gould and thought he would do [redacted] good job. He will [redacted] pursue his [redacted] building interests. "I don't see myself competing with [redacted] frey and Ian, they [redacted] eat me alive."

Reject Shop's results [redacted] the 28 weeks to October 3, announced yesterday, [redacted] higher pre-tax [redacted] of £2.39m (£884,000) on turnover [redacted] £10.3m (£9.13m).

[redacted] per [redacted] 17.29p (6.01p) and [redacted] interim dividend is passed after a payment of 0.5p last time.

S&N picks Germany for next Center Parcs village

By Gerard Baker

[redacted] Newcastle, [redacted] brewing [redacted] group, yesterday confirmed that [redacted] Parcs, its rapidly-expanding leisure specialist [redacted] to build [redacted] first complex in Germany.

The [redacted] village in Bispingen, [redacted] Hamburg, will be operational [redacted]

It will [redacted] company's 15th domed holiday complex and will [redacted] for 300,000 visitors [redacted] year. The third UK Center Parcs site at Longleat in Wiltshire opens this summer.

S&N acquired Center Parcs from its Dutch owners in 1989 and it quickly [redacted] the group's star performer. [redacted], it continued [redacted] defy the continental recession with [redacted] 3m visitors [redacted] year-round [redacted] Netherlands, Belgium, UK [redacted] France. Occupancy [redacted] more [redacted] 90 per cent.

[redacted] leisure division, [redacted] bulk of whose [redacted] by Center Parcs, [redacted] operating profits by 9 per cent [redacted] in [redacted] to end-October. Turnover was also [redacted] per [redacted] higher [redacted]

Mr Jim Merrington, [redacted] director of corporate affairs, said [redacted] than 400,000 German holidaymakers visited Center [redacted] throughout Europe.

[redacted] is expected to build a [redacted] German site in the next few [redacted]

DIVIDENDS ANNOUNCED

	Current payment	[redacted] of payment	[redacted] -ponding [redacted]	Total for year	Total [redacted] year
Hong Kong Inv ......int	0.75	[redacted] 12	0.75	-	1.75
News Intl ......int	0.72	Apr 29	0.701	-	1.369
[redacted] ......int	nil	-	0.5	-	1.5

Dividends shown pence per share net except where otherwise stated. §USM stock.

UBS quits [redacted] broker to Proteus

By David Wighton

UBS has resigned as joint broker [redacted] Proteus International, the computer-aided drug designer, [redacted] disagree- [redacted] over the speed with which [redacted] products could reach the market.

UBS, which was appointed [redacted] October, believed [redacted] being [redacted] optimistic [redacted] the [redacted] required [redacted] complete clinical trials and obtain regulatory approval.

Proteus [redacted] lost 31p [redacted] yesterday, for [redacted] fall of 61p in the [redacted] week.

Proteus appointed UBS in the [redacted] widening [redacted] institutional shareholder base before the end [redacted] this [redacted] it will need to [redacted] money. But Mr Kevin Gilmore, executive chairman, denied that UBS's resignation was a [redacted] blow to [redacted] funding plans.

Allied Provincial, [redacted] floated Proteus at 87p a [redacted] in 1990, will [redacted] as [redacted] *broker [redacted] financial [redacted]*

Receivers called in at Ryan Group subsidiary

By Tim Burt

Ryan Group, one of Britain's largest private mining [redacted] nies, yesterday [redacted] it [redacted] calling in [redacted] receivers [redacted] Belgian subsidiary following [redacted] bitter dispute with its main customer.

[redacted] claimed that Ryan Europe had been [redacted] out [redacted] business by Electrabel, [redacted] national power company [redacted] last [redacted] the price it paid for coal by 30 per cent.

Earlier this week, [redacted] the company's imminent collapse spilled over [redacted] Charlerol plant when [redacted] barri- [redacted] and [redacted] company lawyer in their offices, preventing them [redacted] attending [redacted] receivership court hearing.

Up [redacted] half [redacted] 75-strong [redacted] thought to have [redacted] part in the action, during which they warned that the executives would not [redacted] released [redacted] their January wages [redacted] paid.

The confrontation [redacted] defused last night when [redacted] company gave assurances [redacted] all [redacted] would receive outstanding [redacted] cheques.

Mr David Peek, group [redacted] director, said the [redacted] would today attend [redacted] hearing to [redacted] appointed.

Venezuelan buy for Unilever

Unilever, the Anglo-Dutch food and consumer products group, is [redacted] as [redacted] ice-cream [redacted] ducer with the acquisition [redacted] Tio Rico in [redacted] from the privately [redacted] *neros Group.*

The [redacted] is undisclosed.

Helados Tio Rico, based in Caracas, employs [redacted] people and has annual turnover of $28m (£18.6m). The Tio Rico brand is [redacted] in [redacted] *impulse ice-cream* [redacted]

Prices for electricity determined for the purposes of the electricity pooling and settlement arrangements in England and Wales.

Half hour period ending	Provisional Prices for trading on 04.02.94 Pool purchase price £/MWh	Final Prices for Trading on 27.01.94 Pool purchase price £/MWh	Pool selling price £/MWh
0030	17.25	18.20	18.20
0100	19.83	26.52	27.31
0130	19.83	26.52	27.31
0200	19.83	26.92	27.31
0230	19.83	[redacted]	27.31
0300	19.83	26.52	27.31
0330	17.31	[redacted]	[redacted]
0400	17.28	[redacted]	[redacted]
0430	17.24	22.82	[redacted]
0500	17.19	22.82	[redacted]
0530	17.19	22.82	[redacted]
0600	17.19	22.82	[redacted]
0630	17.22	22.74	[redacted]
0700	19.71	23.19	[redacted]
0730	20.51	[redacted]	[redacted]
0800	20.76	24.59	[redacted]
0830	20.76	26.04	[redacted]
0900	25.16	28.05	[redacted]
0930	25.17	[redacted]	[redacted]
1000	26.17	28.05	[redacted]
1030	25.17	28.05	[redacted]
1100	21.37	28.05	[redacted]
1130	21.38	28.05	[redacted]
1200	21.38	28.09	[redacted]
1230	21.38	28.04	[redacted]
1300	21.38	[redacted]	[redacted]
1330	17.43	[redacted]	[redacted]
1400	17.41	[redacted]	[redacted]
1430	17.38	[redacted]	[redacted]
1500	17.37	[redacted]	[redacted]
1530	17.38	[redacted]	[redacted]
1600	17.29	[redacted]	[redacted]
1630	17.38	[redacted]	27.31
1700	17.46	[redacted]	38.50
[redacted]	24.03	[redacted]	44.47
[redacted]	24.09	42.43	44.32
[redacted]	24.04	28.91	30.72
[redacted]	23.88	28.82	30.61
[redacted]	23.61	26.59	28.37
[redacted]	23.58	25.88	27.48
2030	20.50	24.88	26.46
2100	20.38	23.56	25.34
2130	20.38	23.58	25.34
2200	20.38	23.56	25.34
2230	17.20	23.56	25.34
2300	17.18	18.13	18.13
2330	16.30	18.05	18.05
2400	16.25	18.04	18.04

[redacted] are determined for every half-hour in each twenty-four hour period. Prices are in pounds per megawatt-hour, rounded to two decimal places. To convert prices to pence per kilowatt hour the decimal point should be moved one place to the left, eg £18.88/MWh becomes 1.888p/kWh. Provision for the determination of pool prices is made in the Pooling and Settlement Agreements which govern the operation of the electricity pool in England and Wales. The Pool Purchase Price is the basis of the majority of payments made to generators in respect of electricity traded through the pool. The calculation of pool prices is a highly complex process the product of which is subject to revision or correction (and sometimes major alterations) until final pool prices are determined approximately twenty-four days after the day of trading. Accordingly, due to the possibility of their revision and/or correction, no reliance should be placed upon provisional pool prices for any day being the same as final pool prices for that day. Pool selling Price is the price paid by purchasers of electricity under the pool trading arrangements. It is dependent upon the determination of Pool Purchase Price. Further information on pool prices is provided on behalf of the Pool by Energy Settlements and Information Services Limited. Anyone wishing to receive such information should telephone 0602-456789 between 8:30am and 5.15pm Monday to Friday.
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COMPANY NEWS: UK

Adding some fizz to its investments

David Blackwell takes an in-depth look at the aims and aspirations of Rutland Trust

Interests in sticky labels [illegible] fizzy drinks [illegible] Rutland Trust, now listed under Other Financial, difficult to classify.

Mr Michael Langdon, chief executive, believes the [illegible] part of Ben Shaws, its Yorkshire soft drinks [illegible] Canada's Cott Corporation is a [illegible] illustration of what Rutland is aiming [illegible] do. However, events [illegible] moved much [illegible]ter than expected.

It [illegible] only [illegible] August when Rutland [illegible] £5.7m for 84 [illegible] cent of Ben [illegible], an old family company that had over[illegible] itself. Under the deal, announced on Monday, Cott [illegible] paying an initial £6m for 51 [illegible] of [illegible] Ben [illegible] Pontefract canning line operation, the UK's largest independent canning line.

The other half [illegible] the [illegible] business in Huddersfield, which [illegible] on the local returnable [illegible] drinks [illegible] and spring [illegible] production, will [illegible] be developed by Rutland. It [illegible] just won [illegible] from J Sainsbury for [illegible].

The rapid [illegible] part of [illegible] in direct [illegible] approach [illegible] buying [illegible] business. [illegible] was talking with Ben [illegible] the [illegible] of [illegible] finally making [illegible] acquisition.

"We [illegible] a very [illegible] gestation period," [illegible] Mr Langdon [illegible] company's Knights[illegible] headquarters.

Rutland [illegible] buys [illegible] per [illegible] – but never [illegible] than [illegible]. This allows [illegible] former management [illegible] pany, giving [illegible] perform [illegible].

"[illegible] a partnership. We keep the distinction between operating management and financial and strategic management."

[illegible] August, Rutland [illegible] implementing new finan[illegible] and operational [illegible] Ben Shaws. The group [illegible] on [illegible] financial reporting, demanding a full management report [illegible] working days [illegible] the [illegible] of [illegible] month.

Michael Langdon: 'we are [illegible]'

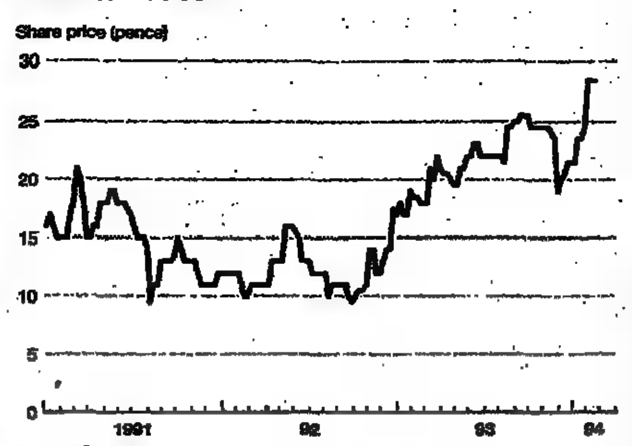
The group [illegible] made good [illegible] of Mr Langdon's supermarket group contacts, winning orders for [illegible] drinks from J Sainsbury, [illegible] and Safeway.

In spite [illegible] time scale, [illegible] companies [illegible] already [illegible] buy [illegible] on [illegible], according [illegible] Mr Langdon.

But Rutland's [illegible] always [illegible] acquisition, [illegible] a straight [illegible] was [illegible] on [illegible]. The [illegible] with [illegible] neatly with [illegible].

Rutland will [illegible] own [illegible] of [illegible] canning line, [illegible] had [illegible] of [illegible] for [illegible] 11 months [illegible] end-December, for [illegible] year. Then [illegible] the right [illegible] buy a further [illegible] per [illegible] minimum [illegible] £5m and [illegible] maximum [illegible] £7.5m, depending [illegible] earnings. [illegible] will [illegible] 17.5 [illegible].

Rutland Trust



Source: FT Graphite

Cott can add value where Rutland cannot, says Mr Langdon, who is chairman of Ben Shaws and will be joining the board of Cott in the UK. Its expertise is in recipes, marketing and branding skills, and it will set up a management team of soft drink experts that can develop it faster and quicker than Rutland could on its own.

In North America, [illegible] sprung [illegible] to [illegible] what it [illegible] "retailer branded beverage business." It supplies supermarket chains such as Wal-Mart with own-label colas. Profits at the nine-month stage to end-October last year were more than doubled to C$26.2m (£13.2m) on turnover also more than doubled at C$502m.

Last week Cott entered the European market through a five-year agreement with Cadbury Schweppes under which Cadbury bottling plants will produce drinks [illegible] newly-formed Cott [illegible] in Europe.

Mr Simon Lester, president of [illegible] Europe, said [illegible] had proved [illegible] candidate for his company's plans to enter the UK market. It would keep [illegible] existing business, [illegible] and [illegible] develop branded [illegible] UK [illegible]. The [illegible] capacity to produce [illegible] a [illegible].

[illegible] closely involved with Ben [illegible] partly [illegible] Capital [illegible]tries, [illegible] per [illegible] industrial associate, [illegible] its hands [illegible] with [illegible] Jones, [illegible] acquired with [illegible] support in [illegible].

Last [illegible] Capital downgraded [illegible] profits [illegible] following trouble [illegible] some new machinery [illegible] Samuel Jones, now [illegible] the acquisition of [illegible] transformed Capital, which [illegible] spun [illegible] in [illegible] £10m. It now has a market [illegible]italisation [illegible], giving [illegible]land an unrealised profit of [illegible].

Rutland [illegible] formed when Mr Langdon left Price Waterhouse in 1986, and has since grown to [illegible] market capitalisation of £70m.

It will continue to concentrate on its financial and business services, including Ellis & Buckle, 90 per cent-owned and now the UK's fourth biggest loss adjuster, and Hunter & Partners, a 77 per cent-owned architectural and building surveying practice.

At the halfway stage last year, pre-tax profits edged ahead from £3.5m to £3.6m, held back by Leasecontracts, the asset financing division which is involved in vehicle contract hire.

The City is looking for about £7.5m pre-tax for the year to December, and was looking for just over £9m this year before news of the Ben Shaws disposal.

Some market observers see Rutland as a hybrid, with no clear focus. "The question has to be asked if it would not work better as a private company," one analyst said.

But Mr Langdon, who [illegible] himself and his right hand man, Mr Christopher Dowling, [illegible] "boring prudent accountants", [illegible] clear on the group's aims.

"When someone says to me: What is the core of Rutland Trust? I say we are hands on investors in [illegible] where we can see that we can add a value.

"But if someone is willing to pay more for [illegible] company than we think it's worth to us, and the management is in agreement, then we will sell it," he explains.

He points out that the group sees many companies through its corporate finance division. "If we can add no value we work for a fee like any corporate finance house."

"Ultimately our long-term aspiration is to maximise over periods of time the value of Rutland itself."

Try shares slip after trading statement

By Gary Evans

Shares in Try Group, the contractor and housebuilder, yesterday fell 2p to 34p, after the company issued [illegible] trading statement warning of a break-even position at the operating level, exceptional charges of over £1m and no final dividend.

The statement was made in response to a sharp rise in the share price, which yesterday reached as high as 41p. At the beginning of the year, Try's shares stood at 28p.

The group's full-year results are due in mid-March. In 1992, pre-tax profits grew 43 per cent to £1.38m, while net attributable losses came out at £1.93m (£3m) after provisions of £2.85m (£3.23m) in respect of a move out of commercial and industrial property.

Try said yesterday that its contracting and plant hire operations had traded profitably in the year, but "continued recessionary influences" had resulted in a further loss from housebuilding.

Certain actions had been taken to improve future profitability, which had resulted in exceptional charges.

First, the group had secured its release – at a cost of £750,000 – from a rental guarantee relating to a property sold in 1990, which would otherwise have resulted in a continuing operating charge of about £300,000 a year. In addition, Try had incurred a restructuring charge of some £300,000 in respect of further rationalisation.

Explaining its decision to omit the dividend, Try said that it had deemed it appropriate to recognise the accumulated deficit in its housebuilding division on the parent company balance sheet.

The effect of this adjustment will be to eliminate the distributable reserves of the parent company and as a result, no final will be paid.

Last year, the total dividend was cut from 6p to 1p with a 0.5p final. At the interim stage in September, the payment was held at 0.5p, although pre-tax profits declined from £380,000 to £68,000.

Coda heads for market with £62m price tag

By Alan Cane

Coda is coming to the main market through a placing at 235p a share, valuing the North Yorkshire-based computer software company at £61.7m.

US investors are taking a strong interest in the company, which derived almost half of its £23.5m revenues last year from the North American market.

SG Warburg Securities, which is handling [illegible] placing, said there would be 26.24m shares in issue following the placing – 8.2m were being placed on behalf of existing shareholders and 2.45m on behalf of Coda.

Dealings are expected to start on February 9.

General Atlantic Partners, a US private investment group which specialises in the computing services industry, is spending £6.16m to acquire 10 per cent of the shares. A further [illegible] have [illegible] for placement with institutional investors in the US.

The p/e is 24.5 at the placing price, with a gross dividend yield of 1.1 per cent.

The net amount raised, after expenses, will be [illegible] which Coda intends to use to develop further its range of international accounting software and [illegible] expand geographically.

Competitors include SAP, the fast-growing German company, which this [illegible] reported [illegible] 15 per [illegible] in net profits for [illegible], indicating [illegible] buoyant [illegible] large scale accountancy [illegible]ware.

GM Firth halves deficit and calls for £3.6m

By John Murrell

GM Firth (Holdings), the steel [illegible] to £756,000 pre-tax for the half year to end-September.

Some £349,000 of the deficit related to exceptional provisions and £48,000 to discontinued activities.

The group's future is largely dependent on [illegible] sustained return to profit by Spartan Redheugh, its steelmaking subsidiary. However, trading during the period had [illegible] difficult with steel [illegible] remaining relatively depressed.

Turnover [illegible] continuing operations fell from £9.47m to £6.48m. [illegible] per [illegible] emerged at 2.29p (4.46p).

In order to finance additional working capital and reduce debt the group is calling for £3.6m via an underwritten rights issue of 33m new shares on a 1-for-1 basis at 12p. Bank borrowings currently stand at £5.6m and revised banking facilities have been agreed.

On receipt of the issue proceeds, Mr Michael Wilkinson, chairman and chief executive, and Mr Howard Wilkinson and Mr Dennis Hill will retire as directors.

The terms of their retirement provide for the placing at 12p each of 1m of the 7m ordinary shares currently held by Wilkinson Holdings, the placing of all 7.5m of Wilkinson Holdings' and Mr Howard Wilkinson's rights to new ordinary shares without consideration and the issue of warrants to Wilkinson Holdings and Mr Howard Wilkinson.

Following the management changes, Sir Alan Thomas will become executive chairman of Firth and 600,000 of Wilkinson Holdings' rights to new ordinary shares will be placed with Bedworth, a company wholly owned by the Sir Alan Thomas Trust.

The trust will also have the option to subscribe for up to 9.45m ordinary shares at 10p per share which, if exercised in full and added together with the 600,000 new shares, would give the trust a 12.69 per cent interest in Firth.

Firth [illegible] higher at [illegible].

Creston acquires property portfolio for £3.4m

Creston Land [illegible] Estates, [illegible] property [illegible], has [illegible] to acquire a portfolio of property for £3.4m from TR Property Investment Trust.

The consideration is to be satisfied by the issue of 3.66m new shares, a £1.5m placing of loan stock and £1.07m in cash. One TR subsidiary will subscribe in [illegible] for 4m new [illegible] and £475,265 of loan stock, while [illegible] remaining £1.03m of loan stock will go to [illegible] TR [illegible].

The loan stock will carry a coupon of 6 per cent and will [illegible] into shares at 17½p each.

As well as the loan [illegible] issue directors also propose to raise £1.5m, before expenses, by way of a rights issue of 10m shares at 15p each. These will be allotted on the basis of 13 for every 79 shares and/or warrants held.

Directors pointed out that the current net rental income from the properties to be acquired – in Stevenage, Gillingham and Edgware – totals some £380,000 a year.

Progress on letting vacant areas is being made at both Telford and [illegible] and recent [illegible] in new plant and machinery should assist in achieving "improved operating results."

COMMODITIES [redacted] AGRICULTURE

Brussels rapped over farm fraud

By Deborah Hargreaves

The European Court of Auditors, the European [redacted] main financial [redacted] dog, has criticised the Euro[redacted] Commission [redacted] member countries for allowing widespread fraud in [redacted] Ecu30bn [redacted] farm budget.

The complexity [redacted] EU farm policies encourage [redacted] particularly in subsidising [redacted] [redacted] surplus farm products which [redacted] for [redacted] third of [redacted] bud[redacted] the auditors' report [redacted]

The report stated [redacted] ber countries [redacted] Commission had adopted a "somewhat minimal approach to monitoring and [redacted] agricultural fraud". The [redacted] [redacted] having no [redacted]tral monitoring [redacted] companies involved in agricultural [redacted]

Although [redacted] limited number of [redacted] in [redacted] member countries [redacted] the lion's share [redacted] export subsidies, there was no cross-border co-ordination of the findings of investigations.

The court found that, out of seven countries surveyed, checks were only regularly carried out in two to ensure that export subsidies were not being wrongly applied.

The inadequacy of systems for monitoring fraud had meant that the commission was extremely slow to recover funds which had been wrongly allocated, the report found. The auditors pointed to 5,775 cases of fraud and irregularities over the 1972 to 1991 period involving Ecu725m, of which only 77m had been recovered.

The court called for a system to assess the risk of fraud by product, value and activities of the company concerned. It said member [redacted] should co-operate more in monitoring multinational companies.

French move fails to appease fishermen

By David Buchan in Paris

[redacted] French government yesterday stepped up checks on fish imports from outside the European Union, in a further effort to appease Breton fishermen who none the less carried their violent protest to [redacted] Channel.

After invading the main Paris fish market in clash that injured 17 policemen, [redacted] protesting fisherman blocked ferry traffic at [redacted] and destroyed [redacted] Scottish mackerel at Cherbourg.

The European [redacted] said yesterday it was studying France's demand that Brussels reinstate minimum prices for seven species of fish, including salmon. The new French customs [redacted] will be carried out on imports of non-EU fish, of which Norwegian salmon is the main problem, according to the French agriculture ministry.

But Mrs Gillian Shephard, the UK agriculture and fishing minister, yesterday protested to her French counterpart, Mr Jean Puech, about the "unacceptable behaviour" [redacted] French fishermen. [redacted] welcomed [redacted] latter's offer to compensate British fisherman for [redacted] losses, but [redacted] "I find it incredible that such arrangements should [redacted] neces[redacted] to protect lawful trade [redacted] the European Union".

Mr Edouard Balladur, the French prime minister, [redacted] expected to be greeted with further [redacted] today when he [redacted] Breton capital [redacted] Rennes.

The government had earlier sought to placate [redacted] fisherman by announcing on Wednesday night special aid of FFr300m [redacted] for the region's hard-hit fishing industry, half [redacted] it in the form [redacted] subsidised loans and the [redacted] including FFr27m, to take some [redacted] the surplus fish off the market.

US cut announced [redacted] aluminium hits fresh peak

By Kenneth Gooding, Mining Correspondent

Alumax yesterday became the second US aluminium producer [redacted] announce output cuts following the unprecedented international trade deal reached [redacted] the weekend by some of the world's [redacted] aluminium-producing countries.

It did [redacted] as [redacted] price of aluminium [redacted] delivery in three months [redacted] a fresh 16-month peak on [redacted] London Metal Exchange, moving up another $26.25 a tonne to close at $1,302.75. The prospect of the international deal, which aims to [redacted] global output [redacted] the metal by at least 1.5m tonnes to bring the market back into balance, has lifted aluminium's price by nearly 15 per [redacted] since the begining of 1994.

Alumax will cut annual output by an additional [redacted] by the end of March. With curtailments already made, this brings its total to cut 146,000 tonnes a year. It did not say where the latest cuts would be made.

Immediately after the weekend trade [redacted] Southwire said it would [redacted] 10 [redacted] cent from production [redacted] 170,000-tonnes-a-year Hawesville smelter in Kentucky. The market is also expecting announcements from Hoogovens of the Netherlands and Norsk Hydro of Norway, which have both indicated they would be willing to make more cuts.

Mr William Adams, analyst with the Rudolf Wolff commodities group, said in a special paper on the outlook for copper and aluminium that "on balance, it seems that cuts will be made and that in the long term aluminium prices will edge higher". He added: "Uncertainty in the market is likely to [redacted] prices underpinned but the market will remain vulner[redacted] to disappointed sell-offs should the western producers delay [redacted]

● [redacted] Copper Corporation, which has reported [redacted] about $200m [redacted] "irregular" [redacted] trading, was [redacted] big [redacted] of the LME but its [redacted] were very small compared with the market as a whole, said Mr David King, the exchange's chief executive, reports Reu[redacted] He said daily LME volume [redacted] and "while Codelco's activities [redacted] very important and significant to [redacted] in relation to liquidity and depth of the market, they are not so significant (a) that they would cause a problem to the market or (b) that they would cause financial problems overall to LME members".

Yemen's 'secrets' continue to elude oilmen

Explorers remain hopeful, though new finds are getting smaller, writes Eric Watkins

Mr Bernard Isautier, [redacted] of Canadian Occidental Petroleum, [redacted] Yemen's oil industry [redacted] general [redacted] in the [redacted] of [redacted] increasing [redacted] exploration. He insists [redacted] much potential remains in Yemen, while acknowledging that [redacted] information [redacted] the region [redacted] disclosed.

"We are maintaining [redacted] exploration programme in the concession area where we are already producing. There are smaller structures still to be tested and we are actively pursuing these since they are close to our facilities," Mr Isautier said.

With depressed oil prices affecting exploration budgets CanadianOxy is currently placing [redacted] emphasis on [redacted] possibility [redacted] large discoveries in [redacted] 37,500-square-km [redacted] more on smaller finds that can [redacted] joined economically [redacted] existing facilities.

Located at [redacted] in southern Yemen, CanadianOxy's [redacted] and [redacted] processing facility are linked by [redacted] pipeline extending southwards to export facilities at Ash-Shihr on the [redacted] in late September [redacted] has announced [redacted] of 546m barrels and has reached [redacted] production [redacted] of 135,000 barrels [redacted] day, about a third of Yemen's total output.

Although Mr Isautier doubts that the company's production will [redacted] substantially from existing fields in the coming year he is optimistic about [redacted] possible [redacted] area.

"There [redacted] still upside potential particularly in [redacted] fractured basement," he said, referring to the hard rock foundations underlying porous limestone formations where oil is usually found. "We now have one well producing 8,000 barrels a day of natural flow, a higher quality oil, and flowing under very steady, stable pressure. That is indicative of a large well connected area and it's very encouraging," he says.

CanadianOxy is meanwhile trading information with other compa[redacted] adjacent to [redacted] particularly Clyde, [redacted] and Nimir, all [redacted] which are working to the north and north-east of the al-Masila fields. In the current climate of cost effectiveness, traded data saves on exploration costs and could be especially important for CanadianOxy.

"If those companies make significant discoveries, that would suggest more potential in the eastern portions of our concession," says a company executive.

Based on CanadianOxy's discoveries, oilmen have long suspected a trend running through the region. But confirmation has so far eluded them. Last April, Total announced a find capable of yielding 12,000 b/d to the east of al-Masila and to the north Clyde is currently evaluating results after a recent strike along its concession line with CanadianOxy. But Lasmo is now said to have drilled three dry holes, while Nimir has just begun its drilling programme.

As prospects of large discoveries diminish, oil companies will gradually have to adjust their exploration programmes, gearing their efforts to smaller finds near existing facilities to ensure commerciality. But oilmen insist that even such modest exploration efforts may be uneconomical under present production-sharing agreements with the Yemeni government.

"The government has tended to think in terms of quick large-scale finds and has negotiated contracts accordingly," one says. "That means small finds [redacted] commercially [redacted] in turn, puts a damper on further exploration."

But there are signs already that the government is adjusting to the [redacted] conditions, announcing last month exten[redacted] in the exploration agreements of Shell and Clyde. With [redacted] areas ranging [redacted] 7,000 to 40,000 sq km, the added time should enable companies [redacted] explore larger portions [redacted] their territory and to evaluate more carefully the data they gather. CanadianOxy has now been in the country [redacted] and, [redacted] Mr [redacted] points out: "We still have a lot of ideas to work on to determine the ultimate potential of our fields".

Coffee responds belatedly to Brazilian export move

By Deborah Hargreaves

The [redacted] futures price rose by $16 at the London Commodity Exchange yesterday to $1,179 [redacted] in a [redacted] response to Wednesday's news that the Brazilian government would hand over the management of [redacted] scheme to the private sector.

The move [redacted] encouraged by rumours of heavy buying by a big European roaster.

[redacted] sceptical [redacted] the exporting companies would [redacted] run [redacted] retention scheme more efficiently than the government, but [redacted] pushed prices higher in [redacted] expectation that changes in its operation would tie up some coffee stocks for several weeks.

When the coffee [redacted], which involves withholding 20 per cent of exports [redacted] the market, [redacted] October the Brazilian government said it [redacted] the stockpile for 6 months. The only surprise in Wednesday's announcement [redacted] it [redacted] at the beginning of February rather than early March.

[redacted] government had problems keeping 20 per [redacted] of supplies back, but [redacted] doubted [redacted] private sector, which is subject to commercial rather than political pressures, would manage any better.

While the retention scheme has succeeded in underpinning prices, sharp falls in production in Colombia and a downturn in Mexican output are expected to drive prices higher in the next few months.

● This week's International Coffee Organisation meeting in London agreed to retain the organisation as an administrative body conducting studies and surveys. The decision follows the failure of the ICO to agree on price stabilisation measures and the US decision to leave the body last year.

MARKET REPORT

Brazilian output reduction underpins continuing tin price rise

[redacted] sharp [redacted] in production at [redacted] the world's [redacted] TIN mines underpinned a continuing rise in the metal's price yesterday.

Paranapanema of Brazil said it would produce [redacted] tonnes of tin in [redacted] in 1994, down from 12,955 tonnes last year. That is equivalent to about 3.5 per cent of world demand.

At the London Metal Exchange, where the three months tin price gained another $85 [redacted] tonne, taking its rise on the week so far to $285.50, traders said, however, that further substantial cuts would be needed to correct the present oversupply of tin.

The three months COPPER price slipped from an early high of $1,936 a tonne to close $17.50 down on the day at $1,917.75 as nervousness continued about the Codelco situation (see story above).

Further gains [redacted] SILVER helped GOLD to resume its uptrend but traders' [redacted] whether the [redacted] heralded a run-up in prices or would attract profit-taking.

Compiled from Reuter

COMMODITIES PRICES

BASE METALS

LONDON METAL EXCHANGE (Prices from Amalgamated Metal Trading)

■ ALUMINIUM, 99.7 PURITY ($ per tonne)

	Cash	3 mths
Close	[redacted]	[redacted]
Previous	1257.5-8.5	[redacted]
High/low		[redacted]
AM Official	[redacted]	[redacted]
[redacted] close		[redacted]
Open int.	269,078	
Total daily turnover	89,693	

■ ALUMINIUM ALLOY ($ per tonne)

	Cash	3 mths
Close	1125-27	1145-47
Previous	1105-7	1127-30
High/low	1117	[redacted]
AM Official	1118-20	1140-42
Kerb close		1148-52
Open int.	3,072	
Total daily turnover	[redacted]	

■ LEAD ($ per tonne)

	Cash	3 mths
Close	[redacted]	[redacted]
Previous	506-7	518-18.5
High/low	506.5	525/519
AM Official	[redacted]	519-19.5
Kerb close		520-21
Open int.	34,271	
Total daily turnover	8,453	

■ NICKEL ($ per tonne)

	Cash	3 mths
Close	5980-90	6045-50
Previous	5920-30	5985-90
High/low	5960	6080/6000
AM Official	[redacted]-60	[redacted]
Kerb close		[redacted]
Open int.	51,147	
Total daily turnover	9,266	

■ TIN ($ per tonne)

	Cash	3 mths
Close	5490-95	5540-45
Previous	[redacted]	[redacted]
High/low	5420	5550/5460
AM Official	5420-25	5470-75
Kerb close		5550-60
Open int.	18,654	
Total daily turnover	7,148	

■ ZINC, special high grade ($ per tonne)

	Cash	3 mths
Close	1012-13	1032-33
Previous	1007.5-8.5	[redacted]
High/low		1039/1026
AM Official	[redacted]	[redacted]
Kerb close		[redacted]
Open int.	99,429	
Total daily turnover	16,201	

■ COPPER, grade [redacted] ($ per tonne)

	Cash	3 mths
Close	1894-6	1917.5-18
Previous	[redacted]	[redacted]
High/low	1899	1937/1913
AM Official	1898-99	1919-20
Kerb close		1912-14
Open int.	[redacted]	
Total daily turnover	[redacted]	

■ LME AM Official £/$ rate: 1.4958

LME Closing £/$ rate: 1.4970

Spot:1.4932 3 mths:1.4880 [redacted] 9 mths:1.4765

■ HIGH GRADE COPPER (COMEX)

	Close	Day's change	[redacted]	[redacted]	Open int	Vol
Feb	89.60	-0.50	[redacted]	89.80	692	[redacted]
Mar	89.90	[redacted]	90.20	89.20	38,230	[redacted]
[redacted]	[redacted]	[redacted]	-	-	735	106
May	[redacted]	-0.15	88.85	88.00	[redacted]	6,084
Jun	88.75	[redacted]	-	-	847	32
Jul	88.75	+0.10	88.80	88.05	[redacted]	322
Total					67,825	8,342

PRECIOUS METALS

■ LONDON BULLION MARKET (Prices supplied by [redacted] Rothschild)

Gold (Troy oz.)	$ price	£ equiv.
Close	386.30-386.70	
Opening	384.30-384.70	
Morning fix	384.00	256.891
Afternoon fix	385.85	257.340
Day's High	387.00-387.50	
Day's Low	383.60-384.00	
Previous close	384.40-384.80	

Loco Ldn Mean Gold Lending Rates (Vs US$)

1 month	2.70	6 months	2.78
2 months	2.70	12 months	2.89
3 months	2.74		

Silver Fix	p/troy oz.	US cts equiv.
Spot	353.25	528.25
3 months	357.70	532.05
6 months	362.00	536.40
1 year	370.25	545.90

Gold Coins	$ price	£ equiv.
Krugerrand	385-388	257-260
Maple Leaf	396.35-398.80	
New Sovereign	90-93	60-63

[redacted] Metals [redacted]

■ GOLD COMEX (100 Troy oz.; $/troy oz.)

	Sett price	Day's change	High	Low	Open int	Vol.
Feb	387.3	+2.5	[redacted]	384.0	1,641	923
Mar	387.9	[redacted]	[redacted]	386.0	12	-
[redacted]	389.1	+2.6	389.4	385.9	66,449	28,565
Jun	391.1	+2.6	391.4	387.8	28,736	900
Aug	393.1	[redacted]	-	-	5,023	150
Oct	395.3	+2.7	-	-	3,955	[redacted]
Total					[redacted]	31,818

■ PLATINUM NYMEX (50 Troy oz.; $/troy oz.)

	Sett price	Day's change	High	Low	Open int	Vol.
Apr	396.8	[redacted]	397.0	392.5	15,022	[redacted]
Jul	397.5	+3.1	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	398.0	398.0	374	63
Jan	[redacted]	+3.1	-	-	[redacted]	[redacted]
Apr	401.4	+3.1	-	-	4	-
Total					[redacted]	[redacted]

■ PALLADIUM NYMEX (100 Troy oz.; $/troy oz.)

	Sett price	Day's change	High	Low	Open int	Vol.
Mar	[redacted]	+0.60	129.00	127.50	[redacted]	[redacted]
Jun	[redacted]	+0.60	128.50	[redacted]	[redacted]	98
Sep	128.65	+0.60	-	-	142	-
Dec	128.65	[redacted]	[redacted]	[redacted]	117	-
Total					[redacted]	497

■ [redacted] COMEX (100 Troy oz.; Cents/troy oz.)

	Sett price	Day's change	High	Low	Open int	Vol.
Feb	546.5	[redacted]	536.0	[redacted]	1	1
Mar	547.5	+13.0	549.0	[redacted]	70,846	21,228
May	551.0	+13.0	552.0	-	18,578	2,019
Jul	554.3	+13.1	555.0	536.0	9,613	855
[redacted]	[redacted]	[redacted]	[redacted]	544.0	[redacted]	12
[redacted]	[redacted]	[redacted]	[redacted]	543.5	[redacted]	287
Total					115,478	24,491

ENERGY

■ CRUDE OIL NYMEX (42,000 US galls. $/barrel)

	Latest price	Day's change	High	Low	Open int	Vol
Mar	[redacted]	+0.05	16.34	[redacted]	[redacted]	[redacted]
[redacted]	16.00	+0.03	16.25	15.86	62,275	30,855
May	16.01	+0.02	16.24	[redacted]	[redacted]	13,038
Jun	16.11	+0.02	16.29	[redacted]	[redacted]	10,474
Jul	16.16	[redacted]	[redacted]	16.11	[redacted]	2,775
Aug	16.25	-0.02	[redacted]	[redacted]	[redacted]	2,233
Total					[redacted]	121,516

■ CRUDE OIL IPE ($/barrel)

	[redacted] price	Day's change	[redacted]	Low	Open int	Vol
Mar	14.93	[redacted]	[redacted]	14.80	54,242	25,474
Apr	14.72	[redacted]	[redacted]	14.61	57,117	14,486
May	14.73	+0.10	14.87	14.61	[redacted]	2,591
[redacted]	14.83	[redacted]	[redacted]	[redacted]	9,476	[redacted]
Jul	14.93	+0.03	15.11	14.86	7,958	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Total					155,316	46,847

■ HEATING OIL NYMEX (42,000 US galls.; c/US galls.)

	Latest price	Day's change	[redacted]	Low	Open int	Vol
Mar	53.45	[redacted]	[redacted]	52.90	54,705	32,302
Apr	48.60	-0.15	[redacted]	48.10	34,593	[redacted]
May	46.50	-	[redacted]	46.35	35,047	7,411
Jun	46.25	[redacted]	46.70	46.05	22,518	5,123
[redacted]	46.60	+0.20	47.10	46.40	15,291	2,392
Aug	47.10	[redacted]	[redacted]	47.50	[redacted]	386
Total					189,185	82,085

■ GAS OIL IPE ($/tonne)

	Sett price	Day's change	High	[redacted]	Open int	Vol
Feb	[redacted]	+3.00	155.00	150.75	28,386	9,681
Mar	152.75	+2.75	[redacted]	151.00	[redacted]	12,750
[redacted]	150.00	[redacted]	152.50	[redacted]	15,094	3,786
May	147.75	[redacted]	[redacted]	[redacted]	10,965	1,866
[redacted]	[redacted]	+0.75	[redacted]	146.75	[redacted]	1,034
Jul	148.50	-	[redacted]	149.00	8,065	440
Total					121,869	29,388

■ NATURAL GAS NYMEX (10,000 mmBtu; $/mmBtu.)

	Latest price	Day's change	High	Low	Open int	Vol
[redacted]	2.450	-0.135	[redacted]	2.400	26,186	21,099
Apr	2.260	-0.092	2.340	2.252	[redacted]	[redacted]
May	2.175	-0.052	[redacted]	2.140	[redacted]	3,636
Jun	2.120	[redacted]	2.135	2.090	8,568	3,067
Jul	2.090	-0.027	[redacted]	2.070	8,913	[redacted]
Aug	2.085	[redacted]	2.095	2.080	7,705	1,405
Total					136,785	43,859

■ UNLEADED GASOLINE NYMEX (42,000 US galls.; c/US galls.)

	[redacted] price	Day's [redacted]	High	[redacted]	Open int	Vol
[redacted]	46.40	+0.13	47.00	46.00	36,087	17,835
Apr	48.10	[redacted]	[redacted]	47.75	31,658	8,150
May	[redacted]	[redacted]	49.25	48.25	33,044	2,052
[redacted]	49.05	+0.03	49.40	[redacted]	12,382	2,085
Jul	[redacted]	-0.07	49.00	49.00	2,852	239
Aug	48.87	-	-		2,769	16
Total					120,103	30,436

GRAINS AND OIL SEEDS

■ WHEAT LCE (£ per tonne)

	Sett price	Day's change	High	Low	Open int	[redacted]
Mar	97.40	-1.05	98.50	97.40	[redacted]	[redacted]
May	98.20	[redacted]	[redacted]	98.20	[redacted]	230
Jul	98.00	-1.75	99.00	98.60	229	31
Sep	89.40	-0.30	-	-	172	-
Nov	90.65	-0.30	-	-	746	-
Jan	92.40	[redacted]	-	-	222	-
Total					[redacted]	369

■ WHEAT CBT (5,000bu min; cents/60lb bushel)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	371/2	-3/4	376/4	371/0	97,240	27,270
May	354/6	-2/0	368/4	[redacted]	[redacted]	[redacted]
Jul	343/6	[redacted]	[redacted]	343/4	77,950	[redacted]
Sep	[redacted]	[redacted]	[redacted]	[redacted]	11,995	[redacted]
Dec	[redacted]	[redacted]	[redacted]	352/0	[redacted]	1,160
Jul	330/0	-	-	-	25	-
Total					[redacted]	[redacted]

■ MAIZE CBT (5,000 bu min; cents/56lb bushel)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	291/0	-1/2	293/6	290/6	469,495	130,070
May	296/4	-1/0	[redacted]	[redacted]	[redacted]	[redacted]
Jul	[redacted]	[redacted]	298/6	297/2	402,220	[redacted]
[redacted]	[redacted]	-	[redacted]	280/2	86,880	5,075
Dec	[redacted]	+0/2	[redacted]	263/6	222,995	19,556
Mar	270/4	[redacted]	[redacted]	270/0	[redacted]	[redacted]
Total					[redacted]	

■ BARLEY LCE (£ per tonne)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	[redacted]	-0.20	101.00	101.00	[redacted]	[redacted]
May	101.75	-0.60	[redacted]	102.00	[redacted]	[redacted]
[redacted]	92.40	-	-	-	102	-
[redacted]	94.40	-	-	-	[redacted]	-
Jan	[redacted]	-	-	-	3	-
May	[redacted]	-	-	-	-	-
Total					690	33

■ SOYABEANS CBT (5,000bu min; cents/60lb bushel)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	[redacted]	-3/0	687/0	[redacted]	[redacted]	210,175
May	685/4	-3/2	691/6	[redacted]	[redacted]	70,045
Jul	686/2	[redacted]	[redacted]	686/0	176,165	[redacted]
Aug	677/4	-2/2	[redacted]	677/0	34,075	3,240
[redacted]	657/4	[redacted]	661/0	657/4	[redacted]	[redacted]
Nov	640/2	+1/0	644/0	639/4	91,410	27,185
Total					861,660	358,575

■ [redacted] OIL CBT [redacted] cents/lb)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	28.52	-0.46	[redacted]	28.50	32,006	12,609
May	28.48	-0.43	[redacted]	28.46	24,711	7,148
Jul	28.28	-0.31	[redacted]	28.24	17,113	2,861
Aug	27.80	[redacted]	28.05	27.75	5,417	394
Sep	27.30	[redacted]	27.50	27.30	[redacted]	145
Oct	26.40	-0.11	[redacted]	26.35	3,621	182
[redacted]					96,793	24,681

■ SOYABEAN MEAL CBT (100 tons; $/ton)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	[redacted]	[redacted]	[redacted]	[redacted]	34,077	[redacted]
May	195.0	[redacted]	[redacted]	194.6	[redacted]	6,948
Jul	194.9	[redacted]	196.2	194.5	17,343	4,113
Aug	[redacted]	[redacted]	[redacted]	192.5	[redacted]	[redacted]
Sep	191.0	+0.5	192.0	[redacted]	[redacted]	610
Oct	189.0	+1.0	[redacted]	188.7	2,046	87
Total					90,247	25,029

■ POTATOES LCE (£/tonne)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	182.5	-2.5	-	-	34	-
Apr	107.2	+0.9	107.0	106.5	1,704	19
[redacted]	127.2	+1.8	[redacted]	[redacted]	818	39
Jun	[redacted]	-	-	-	2	-
Nov	[redacted]	-	-	-	-	-
Mar	105.0	-	-	-	-	-
Total					[redacted]	59

■ FREIGHT (BIFFEX) LCE ($10/index point)

	Sett price	Day's change	High	Low	Open int	Vol
Feb	1163	-	1165	1151	190	66
Mar	1184	-1	[redacted]	1170	340	61
Apr	1225	+5	1225	1210	1,119	34
Jul	1097	+7	-	-	199	-
[redacted]	1245	-5	[redacted]	[redacted]	236	30
Jan	1295	[redacted]	-	-	74	-
Total					2,182	[redacted]

	Close	Prev
BFI	1189	1193

SOFTS

■ COCOA LCE (£/tonne)

	Sett price	Day's change	High	[redacted]	Open int	[redacted]
Mar	[redacted]	+7	885	849	31,640	2,019
May	867	[redacted]	873	857	16,555	2,432
Jul	877	[redacted]	[redacted]	870	10,753	1,470
Sep	895	[redacted]	900	887	10,863	313
Dec	913	-	920	908	[redacted]	605
Mar	927	-	934	922	25,687	[redacted]
Total					[redacted]	7,201

■ COCOA CSCE (10 tonnes; $/tonnes)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	1071	[redacted]	1074	1041	20,974	5,997
May	1105	+19	1107	1077	22,637	2,323
Jul	1130	+18	1133	1107	[redacted]	[redacted]
Sep	1168	[redacted]	1165	1135	8,106	[redacted]
Dec	[redacted]	[redacted]	1192	[redacted]	[redacted]	218
Mar	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	112
Total					88,295	11,066

■ COCOA (ICCO) (SDR's/tonne)

Feb 2	Price	Prev. day
Daily	892.22	867.91
Feb 3		
[redacted] day average	900.20	907.12

■ [redacted] LCE [redacted]

	Sett price	Day's change	High	Low	Open int	Vol
Mar	1174	+23	1180	1155	12,069	1,217
May	[redacted]	+20	1185	1165	[redacted]	[redacted]
Jul	1177	+18	1178	1158	[redacted]	994
Sep	1181	[redacted]	1172	1159	2,416	[redacted]
Nov	1175	+27	1172	1172	1,760	40
Jan	1166	+18	-	-	[redacted]	-
Total					38,208	3,894

■ COFFEE 'C' CSCE [redacted] cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	78.10	[redacted]	[redacted]	73.20	[redacted]	4,718
May	77.55	[redacted]	[redacted]	74.75	[redacted]	1,634
Jul	78.90	+2.90	79.15	76.25	4,864	518
Sep	80.40	+2.90	80.40	77.90	3,362	349
Dec	81.70	[redacted]	82.00	[redacted]	2,243	740
Mar	[redacted]	+2.65	-	-	831	5
Total					84,299	8,169

■ COFFEE (ICO) (US cents/pound)

Feb 2	Price	Prev. day
Comp. daily	69.36	69.29
15 day average	69.50	69.46

■ No7 PREMIUM RAW SUGAR LCE (cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	11.29	+0.62	[redacted]	[redacted]	1241	77
May	11.84	[redacted]	11.82	11.82	919	10
Jul	[redacted]	+0.64	11.80	11.55	2,912	60
Oct	11.64	+0.64	11.30	11.15	30	9
Total					5,162	156

■ WHITE SUGAR LCE ($/tonne)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	836
[redacted]	[redacted]	[redacted]	307.00	[redacted]	5,026	1,136
[redacted]	[redacted]	+12.5	304.50	298.60	[redacted]	417
[redacted]	[redacted]	+12.0	287.10	283.50	2,568	[redacted]
[redacted]	294.80	[redacted]	284.50	282.90	87	28
[redacted]	295.30	+12.0	283.50	283.00	44	15
Total					[redacted]	2,747

■ SUGAR '11' CSCE (112,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	11.00	+0.52	11.04	10.45	39,608	8,496
May	11.52	[redacted]	[redacted]	10.84	34,109	2,023
Jul	11.44	+0.49	11.45	[redacted]	[redacted]	[redacted]
Oct	11.25	+0.42	11.30	10.80	16,604	[redacted]
Mar	11.07	+0.23	11.10	10.93	3,362	[redacted]
May	11.09	[redacted]	-	-	311	-
Total					[redacted]	9,993

■ COTTON NYCE (50,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
Mar	78.29	[redacted]	[redacted]	74.80	20,170	6,940
May	[redacted]	+1.27	78.69	74.85	18,579	5,549
Jul	78.82	+1.25	78.90	75.00	[redacted]	3,443
[redacted]	71.30	+0.80	[redacted]	70.70	[redacted]	172
Dec	69.08	+0.26	[redacted]	68.66	[redacted]	[redacted]
Mar	[redacted]	+0.10	69.25	69.25	167	47
Total					58,989	17,880

■ ORANGE JUICE NYCE [redacted] cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
[redacted]	103.70	-1.95	104.20	102.65	10,818	1,154
May	106.65	-1.80	107.00	[redacted]	3,310	294
Jul	109.20	-1.25	[redacted]	108.50	[redacted]	[redacted]
[redacted]	111.20	-1.25	-	-	819	10
[redacted]	113.20	-1.25	-	-	[redacted]	5
Jan	115.20	-0.80	-	-	443	3
Total					17,168	1,809

MEAT AND LIVESTOCK

■ LIVE CATTLE CME (40,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Open int	[redacted]
Feb	71.800	-0.625	72.275	71.650	18,563	5,427
[redacted]	74.350	-0.875	75.175	74.200	32,186	[redacted]
Jun	73.350	-0.575	73.900	73.250	19,691	[redacted]
[redacted]	72.500	-0.250	72.800	72.350	11,479	760
[redacted]	[redacted]	[redacted]	[redacted]	72.400	[redacted]	558
Dec	[redacted]	-0.175	73.400	73.150	[redacted]	[redacted]
Total					91,722	[redacted]

■ LIVE HOGS CME (40,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
[redacted]	50.050	-0.250	50.275	49.675	3,839	2,196
Apr	51.025	-0.625	51.425	50.600	[redacted]	[redacted]
Jun	[redacted]	-0.600	55.575	55.050	[redacted]	[redacted]
Jul	[redacted]	-1.000	54.950	[redacted]	[redacted]	[redacted]
[redacted]	52.275	-0.775	53.000	52.200	[redacted]	227
Oct	[redacted]	[redacted]	49.000	[redacted]	1,461	34
Total					33,839	7,494

■ PORK BELLIES CME [redacted] cents/lbs)

	Sett price	Day's change	High	Low	Open int	Vol
Feb	59.450	-1.100	60.700	58.750	[redacted]	870
Mar	59.875	-0.850	60.800	59.000	2,694	1,761
[redacted]	60.925	-0.850	61.800	[redacted]	[redacted]	1,492
Jul	[redacted]	-0.800	61.800	60.100	[redacted]	394
Aug	58.300	-0.650	59.400	58.000	[redacted]	[redacted]
Total					11,609	4,694

LONDON TRADED OPTIONS

Strike price $ [redacted] — Calls — — Puts —

■ ALUMINIUM (99.7%) LME	Apr	Jul	Apr	Jul
1275	64	88	38	48
1300	51	174	50	59
1325	40	62	64	72

■ COPPER (Grade A) LME	Apr	Jul	Apr	Jul
1850	[redacted]	[redacted]	[redacted]	[redacted]
1900	58	89	47	61
1950	36	65	75	[redacted]

■ COFFEE LCE	Mar	[redacted]	[redacted]	[redacted]
1100	[redacted]	104	[redacted]	[redacted]
1150	33	72	97	41
1200	10	47	38	66

■ COCOA LCE	Mar	[redacted]	Mar	[redacted]
875	13	41	27	49
900	7	31	[redacted]	64
925	[redacted]	24	67	82

■ BRENT CRUDE IPE	Mar	Apr	Mar	Apr
1400	-	108	6	[redacted]
1450	64	[redacted]	[redacted]	[redacted]
1500	30	[redacted]	[redacted]	[redacted]

LONDON SPOT MARKETS

■ CRUDE OIL FOB (per [redacted])

Dubai	[redacted]	[redacted]
Brent Blend (dated)	$15.44-5.50	[redacted]
Brent Blend (Mar)	[redacted]	+0.165
W.T.I. (1pm est)	[redacted]	+0.19

■ OIL PRODUCTS NWEprompt delivery CIF (tonne)

Premium Gasoline	[redacted]	+1
Gas Oil	[redacted]	+4.5
Heavy Fuel Oil	$76-79	+4
Naphtha	$135-139	+1
[redacted] Fuel	$168-172	+5

Petroleum Argus Estimates

■ OTHER

Gold (per troy oz)♣	[redacted]	+1.9
Silver (per troy [redacted])	536.0c	[redacted]
Platinum (per troy oz.)	$392.25	[redacted]
Palladium (per troy oz.)	$126.85	[redacted]
[redacted] (US prod.)	[redacted]	+1.0
Lead (US prod.)	35.00c	
Tin (Kuala Lumpur)	14.61r	
Tin (New York)	[redacted]	[redacted]
Zinc (US Prime W.)	Unq.	
[redacted] (live weight)†	123.78p	+0.99*
Sheep (live weight)†♣	110.57p	+6.51*
Pigs (live weight)	67.79p	[redacted]
Lon. day sugar (raw)	$259.1	+1.3
Lon. day sugar (wte)	$299.3	+1.3
Tate & Lyle export	[redacted]	+1.0
Barley (Eng. feed)	Unq.	
Maize (US No3 Yellow)	[redacted]	
Wheat (US Dark North)	[redacted]	
Rubber [redacted]	62.75p	[redacted]
Rubber [redacted]	63.00p	[redacted]
Rubber (KL RSS No1 Feb)	228.0m	+2.0
Coconut Oil (Phil)§	[redacted]	[redacted]
Palm Oil (Malay.)	$392.5t	
Copra (Phil)§	$374.0	
Soyabeans (US)	£204.0y	
Cotton 'A' Index	78.35c	[redacted]
Wooltops (64s Super)	[redacted]	[redacted]

£ per tonne unless otherwise stated. p pence/kg. c cents/lb. r ringgit/kg. m Malaysian cents/kg. y Feb/Apr w Mar. ‡ Jan/Mar. t Feb/Mar. ♣ Mar/Apr. ♥ London Physical. § CIF Rotterdam. ♣ Bullion market close. ♣ Sheep (Live weight prices). * Change on week, provisional prices.

[redacted]

Wool prices in Australia and South Africa rose to new peak for this season again this week. The WI market indicator finally ended at 546 cents a kg, which compares with 522 a week [redacted] and makes an increase of 10% in two weeks. The rise was concentrated in finer Merinos where twice as much is being paid for some categories as applied in April,1993, the lowest point of wool's recession. British wool prices also rose very sharply this week, with increases of 10% to 15% typical. Pressure here [redacted] wool market strength with offerings [redacted] Bradford auctions spasmodic and [redacted] to get oversold in times of recession, such as applied some months ago. At one or two of the final Australian sales prices did tend to soften a little but even if a quieter period is imminent the wool market's trend has been firmly established.

VOLUME DATA

Open interest and Volume data shown for contracts traded on COMEX, NYMEX, CBT, NYCE, CME, CSCE and IPE Crude Oil are one day in arrears.

INDICES

■ REUTERS (Base: 18/9/31=100)

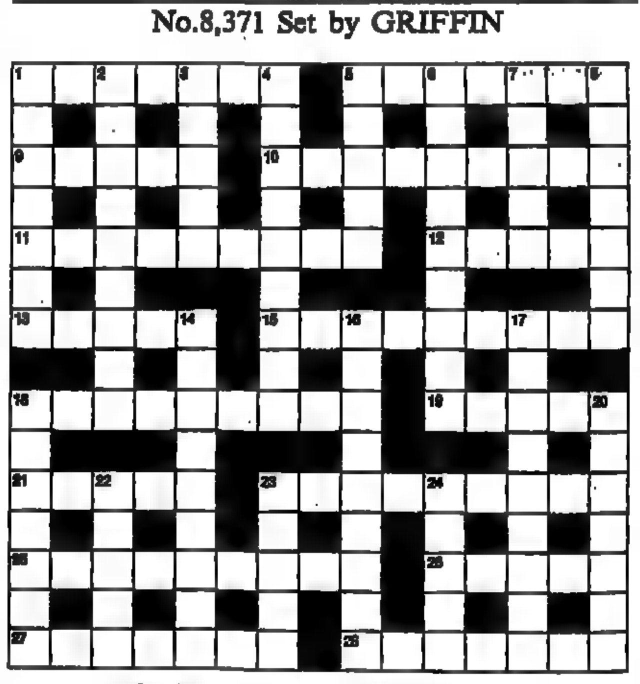
Feb 3	Feb 2	month ago	year ago
1749.3	1742.7	1666.5	1744.7

■ CRB Futures (Base: 4/9/56=100)

[redacted]	Feb 1	month ago	year ago
227.98	226.99	227.31	199.84

CROSSWORD

No.8,371 Set by GRIFFIN



ACROSS

1 Skin [redacted] Parisian [redacted] scratching is revolting . . . . (7)

[redacted] . . . . as it can turn black (7)

[redacted] When not tight is [redacted]

10 Officer on vessel I dare to represent (9)

11 Living on bread once Penny leaves, object (9)

12 Subject of article by Griffin (5)

13 [redacted] skill when reversing it (5)

15 Top stimulating drug nearly all wanted [redacted]

18 Is French versifier covering would-be poet?(9)

19 Always point to George entering when furious (5)

21 Decline to unload outside job centre (5)

23 Fruit I can pulp in this gadget (9)

25 Quality cleaner takes car back to Lawrence (9)

26 Not cold, stopped and relaxed (5)

27 Clergyman embraces naughty [redacted] ([redacted] in service!) (7)

28 Wanted [redacted] include title deed (7)

DOWN

1 Henry and I save swimmer (7)

2 Desert traveller found Dr Day more ugly (9)

3 Model vicar to ring up public (5)

[redacted] Nickname [redacted] sober, pointlessly quiet, [redacted] (9)

5 Around 50 what singers do is drink! (5)

6 Prostitute returns to look up restaurant (9)

7 Din one is making (5)

8 Right or not, rector follows fabulous bird around! [redacted]

14 Players one [redacted] in [redacted] (9)

16 Made [redacted] beads in hot [redacted]

17 Arranger [redacted] keyboard is about to stand up [redacted]

18 Awfully crude [redacted] is abridged (7)

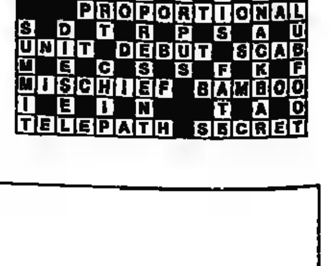
20 Bore said why Eddie wheeled student in (7).

22 The Co-op also uses some stones (5)

23 Bill tended to lose goal when played (5)

[redacted] Is encountered standing inside things [redacted]

Solution 8,370



JOTTER PAD

LONDON STOCK EXCHANGE

MARKET REPORT

FT-SE 100 backtracks after hitting all-time high

By Steve Thompson

The London market's recent upsurge, which has been fuelled largely by hopes of a series of Europe-wide interest rate cuts, shuddered to a halt yesterday as Germany's Bundesbank Council [illegible] its key rates unchanged.

[illegible] council's [illegible] to shift policy disappointed bulls in the London market, who had hoped that it might prompt a UK cut.

Matters [illegible] made worse by a disappointing opening on Wall Street and a weak performance by US bonds amid stories that the Federal Reserve was about to embark on a significant tightening of monetary policy.

Talk of a [illegible] percentage point [illegible] in the F[illegible] Funds rate, a story circulating around [illegible] big US investment banks in London [illegible] yesterday, upset sentiment throughout world [illegible] London dealers refused [illegible] rule out an [illegible] in US rates but said a rise of a ¼ point was more likely.

[illegible] interest [illegible] story proved the decisive [illegible] in [illegible] equity market, where the FT-SE 100 Index continued its recent [illegible] performance and moved in a 50-point arc [illegible] finishing sharply lower, while the less liquid FT-SE Mid [illegible] Index [illegible] recent strong performance, ending a busy session at another all-time closing peak, albeit well below the day's high.

Adding [illegible] the [illegible] was a [illegible] placing of stock in Prudential, one of the UK's top insurance groups, which [illegible] viewed by some observers as another signal [illegible] the equity market might [illegible] reaching [illegible] of [illegible] upswing. "Big lines of top-quality stock have been hard to buy in recent months, but yesterday there was plenty on offer and it was not clear whether it all got away," [illegible]

[illegible] Court, regarded as one of the London market's most [illegible] trading houses, [illegible] out a bought [illegible] involving a near [illegible] per cent [illegible] in Prudential, although it was unclear whether all [illegible] 46m shares involved in the transaction had [illegible] placed.

[illegible] with [illegible] prices being chased higher, after Wall Street's overnight rise [illegible] of the [illegible] to the Japanese economy via £107bn worth of tax cuts. Prices began to falter in midsession, however, [illegible] sensed there would be no German [illegible] Showing a [illegible] 19-point rise at an all-time intraday record of 3,539.2, the FT-SE 100 thereafter ran into flurries of selling pressure [illegible] dropped [illegible] low [illegible] 3,490.8 in the afternoon, before stabilising and ending a net 28.8 off at 3,491.5.

Second-line stocks, on the [illegible] hand, continued to attract sustained [illegible] strong buying interest, [illegible] have been [illegible] with the debut [illegible] morning of the new [illegible] futures and options contracts on the [illegible] 250 Index. Although finishing below its best level, the Mid [illegible] posted a 1.9 gain [illegible] a closing high of 4,152.8.

Turnover [illegible] a heavy 1.1bn shares, with non-Footsie stocks accounting [illegible] shares. Customer business on Wednesday [illegible]

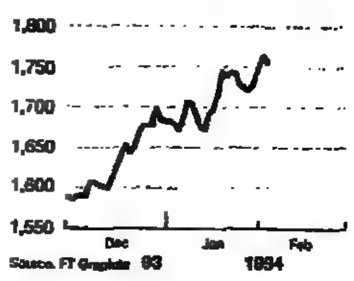
Some dealers said the appearance of large [illegible] of [illegible] had [illegible] for a sharp correction, but [illegible] maintained that a tightening of monetary policy in the [illegible] had already [illegible] into [illegible] market.

"Talk [illegible] are repatriating funds has been around [illegible] months and [illegible] not stopped the market [illegible] going up," commented one [illegible]

Account [illegible] Dates		
*First Dealings:		
Jan 17	Jan 31	[illegible]
Option Declarations:		
Jan 27	Feb [illegible]	Feb 24
Last Dealings:		
Jan 28	Feb 11	Feb 25
Account Day:		
Feb 7	Feb 21	Mar 7

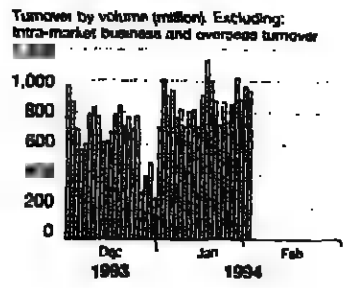
*New time dealings may take place from two business days earlier.

FT-SE-A All-Share index



Equity Shares Traded

Turnover by volume (million). Excluding: intra-market business and overseas turnover



Key indicators

Indices and ratios

FT-SE 100	[illegible]	-28.8
FT-SE Mid 250	[illegible]	+1.9
FT-SE-A 350	1767.3	-11.0
FT-SE-A All-Share	[illegible]	-9.63
FT-SE-A All-Share yield	[illegible]	(3.21)

FT Ordinary index	2694.0	-19.6
FT-SE-A Non [illegible] p/e	22.79	(22.99)
FT-SE 100 Fut [illegible]	[illegible]	[illegible]
10 yr Gilt yield	6.37	(6.47)
Long gilt/equity yld ratio:	2.12	(2.11)

Best performing sectors

1. Other Financial ..... +1.4
2. Water ..... +0.8
3. Other Services & Bsns ..... +0.7
4. FT-SE SmallCap ex IT ..... +0.5
5. FT-SE SmallCap ..... +0.4

Worst performing sectors

1. Extractive Inds ..... -2.0
2. Tobacco ..... -1.9
3. Insurance ..... -1.7
4. Life Assurance ..... -1.7
5. Retailers, Food ..... -1.6

Pru stake sale hits insurers

The UK's leading insurance company, Prudential, was hit as one of [illegible] principal stakeholders [illegible] shares, the equivalent of a [illegible] per [illegible] holding in [illegible] company.

The shares were placed with [illegible] Court, [illegible] of [illegible] UK's [illegible] aggressive market-making firms, in the form of a bought deal, a [illegible] the trading [illegible] all [illegible] – and potential profit.

[illegible] said Smith pur[illegible] the shares [illegible] placed most of [illegible] 354p, a discount [illegible] the underlying share price. They [illegible] the house could have [illegible] holding [illegible] 10m shares by [illegible] trading.

Smith [illegible] "We [illegible] that [illegible] have [illegible] placing." [illegible] pointed [illegible] the trade [illegible] carried out under new [illegible] Exchange [illegible] publication of [illegible] deals to be delayed.

[illegible] the market really [illegible] ty of the seller. [illegible] candidates were [illegible] management [illegible] Mercury [illegible] Management, Baring, [illegible] tel, [illegible] of [illegible] significant holdings.

Both Mercury Asset Management [illegible] Schroders [illegible] in [illegible] deal, leaving Baring [illegible] likely seller.

Prudential lost 9 at 362p, [illegible] Seaq [illegible] showing turnover of 44m [illegible]

Other composite [illegible] were [illegible] in [illegible] to take [illegible] the Prudential [illegible] Legal & General [illegible] Commercial Union 17 to 674p, General Accident 24 to 701p and Royal Insurance 8 to 337p.

News Intl rises

A sparkling set of results from BSkyB, the [illegible] vision arm [illegible] Mr Rupert Murdoch's News Corporation offset a hit from the [illegible] Times price cuts. News International, News Corp's UK arm, [illegible] 21 [illegible] 314p.

BSkyB's main UK shareholders, Pearson and Granada, also benefited. Pearson rose 7 to 725p, [illegible] S.G. Warburg calculating that the conglomerate's 17 [illegible] 128p a share, against 75p previously. [illegible] was steady [illegible] 579p, but analysts [illegible] that the benefits of its 13 per cent stake would be diluted by the acquisition of LWT, up a penny at 696p.

Paper and packaging groups Bunzl and David S. Smith were firm [illegible] encouraging noises from [illegible] Lyonnais Laing. [illegible] house published a wide-ranging review of the sector, [illegible] are picking [illegible] after a long spell in the doldrums.

It has selected the two second-line companies as core holdings, arguing [illegible] "strong management [illegible] ries, offer superior earnings and dividend growth prospects and [illegible] they [illegible] value". [illegible] put on 10 [illegible] gained [illegible] at 508p.

A recommendation for Courtaulds Textiles lay behind a rise of 8 to 583p in the share price. Smith New Court published a hefty buy note on the company, saying that investors were taking [illegible] overly gloomy view following [illegible] cautious trading [illegible] in [illegible] ber. "From the current base of 4.5 per cent operating margin we believe [illegible] can achieve a level of 7 per cent [illegible] the back of volume acting [illegible] heavily rationalised cost base," argues Smith's Mr Mark Puleikis.

Royal Bank of Scotland was up 18 at one stage on rumours that the banking [illegible] about to sell its insurance subsidiary Direct Line to French [illegible] UAP. Mr [illegible] Landa, insurance analyst with SGST, said: "UAP have shown an interest but Royal Bank had described Direct Line as a core holding and it doesn't need the [illegible] so I would [illegible] surprised." The shares [illegible] higher [illegible] 515p.

A [illegible] pricing scheme from BT intended to build [illegible] loyalty [illegible] announced but could not help the shares [illegible] muted [illegible] and a bout [illegible] profit-taking. They closed 7 down at 470p. But Vodafone lifted 2 to 614p on the back of this [illegible] good [illegible] figures.

Water stocks [illegible] on Wednesday's market [illegible] investments channelled from European privatisation funds. Among these, South [illegible] 9 [illegible] Welsh 19 [illegible] 739p and Yorkshire 9 to 615p.

Insurance group TransAtlantic [illegible] plans to float [illegible] a property investment company, with property [illegible] of £740m concentrated mainly in shopping centres. TransAtlantic [illegible] jumped 33 to 462p.

There was a big seller of Caradon as the shares tumbled 16 to 424p in [illegible] of 5.3m.

[illegible] at Upton [illegible] finally [illegible] while the regional [illegible] group [illegible] agreed [illegible] Reject Shops. The latter's shares became the day's biggest percentage fallers, slumping 50 per cent before closing 21 down [illegible] 38p. The Upton [illegible] valued each Reject share [illegible] 22.37p. Upton, which also announced a 10-for-1 rights issue to raise £4.5m, added a penny to 6p.

Reverberations of the $10bn [illegible] bid battle continued to focus attention on the [illegible] market and buoy Thorn EMI, the shares adding 17 at 1145p in turnover of 2.5m.

Comment [illegible] Euro Disney's mounting losses saw the stock crumble [illegible] 375p. An agency [illegible] in hotel group Stakis pushed turnover to 16m. The shares [illegible] steady at 86p.

Allied-Lyons [illegible] from [illegible] initial spurt as Kleinwort Benson reiterated its positive [illegible] and recommended a [illegible] of [illegible] & Newcastle. The former closed [illegible] adrift at 646p, after 654p, while S&N receded [illegible] to 573p.

British Airways [illegible] 7 [illegible] 491p in [illegible] of [illegible] shares [illegible] revealing a 9.7 per [illegible] year-on-year increase in January [illegible] traffic figures.

[illegible] group Johnson Matthey was making visits around the city and the shares improved 10 to 605p.

GKN fell 14 to 600p, after Smith New Court urged investors to sell the stock.

A feeling that shares in Rolls-Ro[illegible] had run ahead too [illegible] saw [illegible] on volume of 8.7m. [illegible] rival Pratt & Whitney had [illegible] an [illegible] supply engines for Japan Airlines also hit [illegible]

The prospect of a successful flotation of Ashanti Goldfields of Ghana, in which Lonrho has a 45 per cent stake, continued to excite investors and the shares firmed 2 to 172p.

MARKET REPORTERS:
Christopher Price,
Peter John,
Joel Kibazo.

■ Other statistics, Page 22

NEW HIGHS AND LOWS FOR [illegible]

NEW HIGHS [illegible]

BANKS (8) Espirito Santo, HSBC, Do. HK$, Nat. Australia Bank, Royal Bk. of Scotland, Standard Chartered, BREWERIES (1) Vaux, BUILDING & CNSTRN (12) BLDG MATLS & MCHTS (18) CHEMICALS (10) Akzo, Allied Colloids, [illegible] Do. Warrants, Headway, [illegible] Perstorp AB B, Yorkshire Chems., Yule Catto, DISTRIBUTORS (17) DIVERSIFIED INDLS (14) ELECTRICITY (10) East Midlands, Eastern, [illegible], Manweb, Northern, Northern Ireland, Norweb, South Wales, Southern, Yorkshire, ELECTRNC & ELECT EQUIP (14) ENGINEERING (34) ENG, VEHICLES (8) BBA 6¼pc Prf., BBA, BSG, GKN, Laird, Lucas Inds., Do. Wrts, Trinity, Volvo AB 'B', EXTRACTIVE INDS (18) FOOD MANUF (8) Golden Vale, [illegible] HEALTH CARE (4) Amersham, Smithemed, Isotron, UniChem, HOUSEHOLD GOODS (1) Royal Doulton, INSURANCE (2) Nelson Hurst, Syndicate Capital, INVESTMENT TRUSTS (104) INVESTMENT [illegible] (16) LEISURE & HOTELS (11) LIFE ASSURANCE (4) Britannic, Transatlantic, Do. 8 6pc Pf., MEDIA (16) [illegible] BANKS (3) Hambros Prf., Kleinwort Benson, Warburg (S.G.), OIL EXPLORATION & PROD (8) Monument, Scott Pickford, Villiers, OIL, INTEGRATED (4) BP, Fedm, Norsk Hydro, Petrofina, Woodside, OTHER FINANCIAL (17) OTHER SERVS & BUSNS (1) Scapa, PRTNG, PAPER & PACKG (10) Bnitton, Dalyn, Dolphin Pack, Ferguson, MY, Portals, Repola, Smith (D.S.), Tinsley Robor, Wainnoughs, PROPERTY (24) RETAILERS, [illegible] Shoprite, Wittaon & Philip, [illegible] GENERAL (8) Austin Reed, Brand Pf., Carpetrights, Christies Int'l, DFS Furniture, Moss Bros, SPIRITS, WINES & CIDERS (1) Highland Dist., SUPPORT SERVS (13) [illegible] Do. 'A' N-V, Security Services, TEXTILES & APPAREL (8) Abbeycrest, Alexandra Workwear, Allied Textile, Forminster, Lamont, Lister, Readicut, Richards, [illegible] British Ports, CSX, Irish Continental, Mayne Nickless, Mersey Docks & Harbour, National Express, P & O Deld, Stagecoach, WATER (7) Bristol, Cheam & Do. B, East Surrey, Severn Trent, Wessex, York, [illegible] CANADIANS (1)

NEW LOWS (10).

GILTS (5) BANKS (1) Standard Chrtd Pf, INSURANCE (1) USF & G, INVESTMENT TRUSTS (1) Kleinwort 2nd Endw Policy, PHARMACEUTICALS (1) Scotia, RETAILERS, GENERAL (1) Reject Shop.

EQUITY FUTURES AND OPTIONS TRADING

Heavy selling in the derivatives market saw the futures contract on the FT-SE 100 Index record exceptionally high turnover and drag [illegible] underlying market down yesterday, *writes Joel Kibazo.*

[illegible] expected [illegible] previous day's strong performance to continue after [illegible] opened at 3,543 and early demand by locals soon had the contract moving ahead.

However, the release of disappointing German monetary figures brought a turnaround in March after the first hour, and an announcement shortly afterwards that [illegible] be [illegible] press meeting following the Bundesbank Council meeting triggered [illegible] day's strong selling.

Confirmation that there [illegible] no [illegible] reduction only served to increase the general profit-taking by market participants [illegible] was in part responsible for pulling [illegible] underlying [illegible] lower.

The March future traded at a discount to cash for most of the session and finished the day at 3,494, down 36 from its previous close and around [illegible] points ahead of its fair value premium to cash which now stands at zero. Volume was again heavy, reaching 20,757 lots by the official close.

Turnover [illegible] the traded options fell to 41,397 contracts from Wednesday's total of 54,902. Volume in the FT-SE 100 option was steady at 17,935, but the Euro FT-SE option was well down, seeing a mere 1,018 lots dealt. Hanson was the busiest stock option at 2,287 contracts, followed by Lonrho at 2,258.

■ FT-SE 100 INDEX FUTURES (LIFFE) £25 per full index point

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Est. vol	Open int.
Mar	[illegible]	3494.0	[illegible]	3543.0	[illegible]	[illegible]	[illegible]
Jun	[illegible]	[illegible]	-35.5	[illegible]	[illegible]	90	8932
Sep		[illegible]	-36.0			0	340

Contract traded on APT. Open interest figures are for previous day.

■ FT-SE 100 INDEX OPTION (LIFFE) (*3492) £10 per full index point

	3300 C	3300 P	3350 C	3350 P	[illegible] C	[illegible] P	[illegible] C	[illegible] P	3500 C	3500 P	3550 C	3550 P	3600 C	3600 P	3650 C	3650 P
Feb	200½	2½	[illegible]	6	109	11	71	23½	41	45	21	75	8½	117½	3½	167½
Mar	[illegible]	16	[illegible]	23½	[illegible]	36	98½	52½	[illegible]	74	[illegible]	[illegible]	29	137½	17	177
[illegible]	[illegible]	29	[illegible]	41½	147	54	118½	72½	87	[illegible]	[illegible]	122	[illegible]	152	32	[illegible]
[illegible]	238½	[illegible]	282½	53½	168½	67½	137	87	108	108½	87	138	68½	167½	50	203½
Jun†	267½	[illegible]			186½	81½			128	120½			83	177		

Calls 6,600 Puts 11,360

■ EURO STYLE FT-SE 100 INDEX OPTION (LIFFE) £10 per full index point

	3275 C	3275 P	3325 C	3325 P	3375 C	3375 P	3425 C	3425 P	3475 C	3475 P	3525 C	3525 P	3575 C	3575 P	[illegible] C	[illegible] P
Feb	223½	1½	176½	4	131	9	88½	16½	54	33	30	58½	14	91½	5½	133½
Mar	230	12	187	18½	147	28	111	42	80½	[illegible]	[illegible]	86	36	[illegible]	[illegible]	152
Apr			201	32½			[illegible]	[illegible]			[illegible]	105½			40	[illegible]
Jun			241½	60½			175½	93			121	[illegible]			79½	192½
Sept			277½	82			214½	115½			[illegible]	[illegible]			117	211

Calls 444 Puts 600 * Underlying index value. Premiums shown are based on settlement prices.
† Long dated expiry months.

TRADING VOLUME

■ Major Stocks yesterday

[illegible]

FT - SE Actuaries Share Indices — The UK Series

	Feb 3	Day's [illegible]	Feb 2	Feb 1	Jan 31	Year ago	Div. [illegible]	Earn. [illegible]	P/E [illegible]	Xd adj. [illegible]	Total Return
FT-SE 100	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.37	[illegible]	[illegible]	2.59	[illegible]
FT-SE Mid 250	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1509.49
FT-SE Mid 250 ex Inv Trusts	[illegible]	[illegible]	[illegible]	4110.3	[illegible]	[illegible]	[illegible]	[illegible]	24.77	[illegible]	[illegible]
FT-SE-A 350	[illegible]	-0.6	1778.3	1758.7	[illegible]	1414.1	3.27	[illegible]	[illegible]	[illegible]	[illegible]
FT-SE SmallCap	[illegible]	+0.4	2082.14	2089.03	2050.49	1520.06	2.61	3.33	[illegible]	[illegible]	[illegible]
FT-SE SmallCap ex Inv Trusts	[illegible]	+0.6	2045.57	2082.80	2012.56	1524.97	[illegible]	[illegible]	35.65	2.91	[illegible]
FT-SE-A ALL-SHARE	[illegible]	-0.5	1764.11	1746.26	1746.95	1398.04	3.23	[illegible]	25.64	[illegible]	1340.99

■ FT-SE Actuaries All-Share

[illegible]

■ Hourly movements

[illegible]

■ FT-SE Actuaries 350 Industry baskets

[illegible]

LONDON EQUITIES

LIFFE EQUITY OPTIONS

[illegible]

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	0	73	5
Other Fixed Interest	0	4	11
Mineral Extraction	100	[illegible]	[illegible]
General Manufacturers	220	121	343
Consumer Goods	31	60	[illegible]
Services	144	[illegible]	276
Utilities	21	21	4
Financials	118	79	[illegible]
Investment Trusts	129	88	248
Others	64	22	28
Totals	827	602	[illegible]

Data based on those companies listed on the London Share Service.

TRADITIONAL OPTIONS

First Dealings	Jan. 24	Last Declarations	April 21
Last Dealings	Feb. 4	For settlement	May 3

Calls: Acatos & Hutch, Aegis, Babcock, Biotrace, Blockleys, Carlisle Grp, Coal Invs, Emess, GWR, Haden MacLellan, Hanson Wts, Hay (N), Mayflower, Microvitec, [illegible] Hme Ln, News Int, Osprey Comm, Park Fds, Proteus, Quadrant, Renison, Schroder Split Cap, Sleepy Kids, Telemetrix, Tullow Oil, Upton & Sthn. Puts: Acatos & Hutch, Biotrace, Greycoat, Hay (N), Park Fds, Tiphook, Upton & Sthn. Puts & Calls: Sainsbury, Upton & Sthn.

LONDON RECENT ISSUES: EQUITIES

[illegible]

FIXED INTEREST STOCKS

[illegible]

RIGHTS OFFERS

[illegible]

FINANCIAL TIMES EQUITY INDICES

[illegible]

FT GOLD MINES INDEX

[illegible]

LONDON SHARE SERVICE

BANKS

	Notes	Price	+ or -	1993/94 high	low	Mkt Cap£m	Yld Gr's	P/E
ABN Amro Fl		£24½	—	£25¼	£18¼	6,655	4.2	13.1
ANZ A$		285¼	+2¼	285¼	130	3,478	3.4	20.9
Abbey National	†□	502	-8	534	345	6,581	3.0	19.4
Allied Irish I£	‡☆□	292	-4	314	179	1,934	3.6	14.9
Anglo Irish I£	♣□	68	—	70	38	195.6	0.3	12.4
Asahi Y		693¼	-32¼	844	415	[illegible]	0.8	—
Banco Bil Viz Pta		£15⅛	-⅛	£17⅞	£13⅛	[illegible]	3.4	6.9
Banco Sant Pta		£32¼	—	£35	£24⅞	[illegible]	4.1	12.2
Bank Leumi (UK)		375	—	378	325	29.6	5.7	—
Bk Ireland I£		309	-3	319	177	1,425	4.1	22.3
Bank Scotland	♣†□	227½	-2½	247	118½	2,046	2.8	30.8
9¼pc Pf		140¾	-½	141½	117¼	140.6	8.2	—
9¾pc Pf		147¾	-½	149½	123¼	147.8	8.2	—
Barclays	‡♣□	624	-5	652	362	10,127	2.5	—
Dai Ichi Kan Y		£12⅞	-⅛	£15⅝	£9⅜	[illegible]	0.4	67.6
Deutsche DM		£316⅝	-5½	£348⅝	£250½	[illegible]	1.9	—
Espirito Santo		£28⅛	+⅛	£28⅞	£16½	[illegible]	3.1	6.3
First Nat Fin	♣□	88	+1	95	45	[illegible]	2.1	♦
6.3pc Cv Pf		88	—	91	55	5.92	8.9	—
7pc Cv Pf		167	—	169	108	79.2	5.2	—
Fuji Bank Y		1374¼	-36¼	1651	676	39,804	0.4	—
HSBC HK	†□	1076	+18	1084	474	18,367	2.3	[illegible]
HSBC (75p Shs)	†□	1095	+16	1098	480	8,669	2.4	[illegible]

BREWERIES

BUILDING & CONSTRUCTION

BUILDING MATS. & MERCHANTS

BUILDING MATS. & MERCHANTS - Cont.

CHEMICALS

DISTRIBUTORS

DIVERSIFIED INDUSTRIALS

ELECTRICITY

ELECTRONIC & ELECTRICAL EQPT

ELECTRONIC & ELECTRICAL EQPT - Cont.

ENGINEERING

ENGINEERING, VEHICLES

EXTRACTIVE INDUSTRIES

FOOD MANUFACTURERS

GAS DISTRIBUTION

HEALTH CARE

HOUSEHOLD GOODS

INSURANCE

INVESTMENT TRUSTS

INVESTMENT TRUSTS - Cont.

LONDON SHARE SERVICE

INVESTMENT TRUSTS - Cont.

[illegible]

LEISURE & HOTELS - Cont.

[illegible]

OTHER FINANCIAL

[illegible]

PROPERTY - Cont.

[illegible]

SPIRITS, WINES & CIDERS - Cont.

[illegible]

TRANSPORT - Cont.

[illegible]

SUPPORT SERVICES

[illegible]

WATER

[illegible]

LIFE ASSURANCE

[illegible]

AMERICANS

[illegible]

MEDIA

[illegible]

OTHER SERVICES & BUSINESSES

[illegible]

CANADIANS

[illegible]

TELECOMMUNICATIONS

[illegible]

TEXTILES & APPAREL

[illegible]

INVESTMENT COMPANIES

[illegible]

Net asset values supplied by [illegible] Securities Limited as a guide only. See guide to London Share Service

RETAILERS, FOOD

[illegible]

PHARMACEUTICALS

[illegible]

SOUTH AFRICANS

	Notes	Price	+ or -	1993/94 high	low	Mkt Cap£m	Yld Gr's	P/E
Anglo Am Ind		£18¼	.....	£18¾	£7½	1,118	3.7	15.8
Barlow		£4½	-⅛	[illegible]	£3	808.2	7.1	8.4
Gold Fields SA R		£14¼xd	-⅛	£18	£7⅛	1,441	2.7	28.1
IsK Props.	§	95	.....	97	68	3.82	9.3	39.1
SASOL	♥	302	+13	308	275	1,710	5.1	-
SA Brews		£13⅞	+½	£16⅛	£7½	7,882	2.0	22.9
Tiger Oats		715	.....	850	513	1,071	2.3	15.1
Tongaat-Hulett	†	618xd	.....	618	212	387.7	2.9	14.4

GUIDE TO LONDON SHARE SERVICE

Prices for the [illegible] Share Service delivered by [illegible] Financial, a member of the [illegible] Times Group.

Company classifications are based on those used for the FT-SE A[illegible] Share Indices.

Closing mid-prices are shown in pence unless otherwise stated. Highs and lows are based on intra-day mid- prices.

Where stocks are denominated in currencies other than sterling, this is indicated after the name.

Symbols referring to dividend status appear in the notes column daily as a guide to yields and P/E ratios. Dividends and Dividend covers are published on Monday.

Market capitalisation shown is calculated [illegible] for each line of stock quoted.

Estimated price/earnings ratios are based on latest annual reports and accounts and, where possible, are updated on interim figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation, excluding exceptional profits/losses and unrelieved ACT where applicable. Yields are based on mid-prices, are gross, adjusted for a dividend tax credit of 20 per cent and allow for value of declared distribution and rights.

Estimated Net Asset Values (NAVs) are shown for Investment Trusts, in pence per share, along with the percentage discou[illegible] (Dis) or [illegible] (Pm -) to the current closing share price. The NAV [illegible] prior charges at par value, convertibles converted and [illegible]ants exercised if dilution occurs.

- ‡‡ [illegible] the most actively traded [illegible] includes UK stocks [illegible] sactions and prices are [illegible] continuously through the [illegible] change Automated Quotatio[illegible] (SEAQ) and non-UK [illegible] ough the SEAQ Internatio[illegible]
- • [illegible] lows marked thus have [illegible] ted to allow for rights [illegible] cash
- † Interim since increa[illegible]d or resumed
- ‡ Interim since reduc[illegible] passed or deferred
- ◆ Figures or report awaited
- ♥ Not officially UK listed; dealings permitted under rule 535(4)(a)
- ♣ Free annual/interim report available, see details below
- ✦ USM, not [illegible] on Stock Exchange and company not subjected to same degree of regulation as listed securities
- ‡‡ Not officially UK listed; dealings permitted under Rule 535(2)
- ¶ Price [illegible] suspension
- ¶ Indica[illegible] yield after pending scrip and/or rights issue.
- ¶ Merg[illegible] ganisation in progress
- § Forec[illegible] yield, p/e based on earnings [illegible] by latest interi[illegible]
- ◆ Unregulated collective investment scheme.

a Yield based on annualised dividend b Figures based on prospectus or other official estimates [illegible] v Not subject to ACT. z Dividend yield includes a special payment [illegible] 1993-94. ¶ Figures based on IMR 'Headline Earnings' [illegible] capital distribution.

This service is available to companies whose shares are regularly traded in the United Kingdom for a fee of £1235 a year for each security shown, subject to the Editor's discretion

LEISURE & HOTELS

[illegible]

MERCHANT BANKS

[illegible]

OIL EXPLORATION & PRODUCTION

[illegible]

PRINTING, PAPER & PACKAGING

[illegible]

RETAILERS, GENERAL

[illegible]

TOBACCO

[illegible]

TRANSPORT

[illegible]

OIL, INTEGRATED

[illegible]

PROPERTY

[illegible]

SPIRITS, WINES & CIDERS

[illegible]

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■ FT Cityline Unit Trust Prices [illegible] the telephone. Call the FT Cityline [illegible] Desk on (071) 873 4378 for more details.

AUTHORISED UNIT TRUSTS

Init Chrge	Canc Price	Bid Price	Offer Price	+ or -	Yield Gr's
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AIB Unit Trust Managers Limited (1000)F

AXA Equity & Law Unit Tst [illegible] (1000)H

Capel-Cure Myers UT Mngt Ltd - Contd.

Capital House Unit Tst Mgrs (1200)F

Fidelity Investment Servs Ltd - Contd.

Guardian Royal Ex Unit Mgrs Ltd (1000)F

Gulnness Flight Unit Tst Mgrs Ltd (2400)F

Laurentian Unit Tst Mngmt Ltd (1200)H

Lazard Unit Tst Mgrs Ltd (1200)F

Legal & General (U.T. Mgrs) Ltd (1200)F

Mercury Fund Managers Ltd - Contd.

Pilgrim Unit Trust Mngmt Ltd (0830)F

Polnton York UT Mngrs (0800)F

Portfolio Fund Management Ltd (0800)F

Premium Life Unit Tst Mngrs Ltd (1400)F

Schroder Unit Trusts Ltd (1400)F

Intl Emerging Cos	[illegible]	287.76	289.89	308.86	+1.88	0.01
Far Eastern Growth Inc	[illegible]	318.94	322.70	345.14	+0.70	0.01
Far Eastern Growth Acc	[illegible]	318.94	322.70	345.14	+0.70	0.01
European Gwth Inc	[illegible]	147.33	148.58	158.90	-0.54	0.82
European Gwth Acc	[illegible]	147.33	148.59	158.90	-0.54	0.82
UK Growth Inc	[illegible]	95.81	96.28	102.98	+0.22	2.11
UK Growth Acc	[illegible]	95.81	96.28	102.98	-0.22	2.11
High Income	[illegible]	102.81	103.10	110.34	-0.59	3.38
Japanese Gwth Inc	[illegible]	234.37	234.37	249.14	-1.05	0.01
Japanese Gwth Acc	[illegible]	234.37	234.37	249.14	-1.05	0.01
PEP Growth	[illegible]	128.35	128.75	135.80	-0.17	0.85
Asian Smllr Mkts Inc	[illegible]	149.10	151.70	162.25	+0.58	0.01
Asian Smllr Mkts Acc	[illegible]	149.10	151.70	162.25	-0.58	0.01
American Smaller Cos Inc	[illegible]	142.84	143.98	153.97	+1.88	0.01
American Smaller Cos Acc	[illegible]	142.84	143.98	153.97	+1.85	0.01
Global Bond	[illegible]	85.18	85.19	88.71	-0.15	5.24
UK Smaller Cos Inc	[illegible]	84.56	86.59	92.42	+0.99	0.88
UK Smaller Cos Acc	[illegible]	86.80	86.89	95.07	+0.93	0.88
Exempt Funds						
UK Exempt	[illegible]	[illegible]	[illegible]	300.50	+1.35	2.13
Overseas Exempt	[illegible]	[illegible]	[illegible]	293.36	+1.27	0.01

Guide to pricing of Authorised Unit Trusts

Compiled with the assistance of Lautro §§

INITIAL CHARGE: Charge made on sale of units. Used to defray marketing and administrative costs, including commission paid to intermediaries. This charge is included in the price of units.

OFFER PRICE: Also called issue price. The price at which units are bought by investors.

BID PRICE: Also called redemption price. The price at which units are sold back by investors.

CANCELLATION PRICE: The minimum redemption price. The maximum spread between the offer and bid prices is determined by a formula laid down by the government. In practice, most unit trust managers quote a much narrower spread. As a result, the bid price is often set above the cancellation price. However, the bid price might be moved to the cancellation price by the managers at any time, usually in circumstances in which there is a large excess of sellers of units over buyers.

TIME: The time shown alongside the fund manager's name is the time of the unit trust's valuation point unless another time is indicated by the symbol alongside the individual unit trust name. The symbols are as follows: (♥) - 0001 to 1100 hours; (♣) - 1101 to 1400 hours; (♦) - 1401 to 1700 hours; (♠) - 1701 to midnight. Daily dealing prices are set on the basis of the valuation point; a short period of time may elapse before prices become available.

HISTORIC PRICING: The letter H denotes that the managers will normally deal on the price set on the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers must deal at a forward price on request, and may move to forward pricing at any time.

FORWARD PRICING: The letter F denotes that the managers deal at the price to be set on the next valuation. Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers.

SCHEME PARTICULARS AND REPORTS: The most recent report and scheme particulars can be obtained free of charge from fund managers.

Other explanatory notes are contained in the last column of the FT Managed Funds Service.

§§ Life Assurance and Unit Trust Regulatory Organisation, Centre Point, 103 New Oxford Street, London WC1A 1QH Tel: 071-379-0444.

FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (071) 873 4378 for more details.

INSURANCES

OTHER UK UNIT TRUSTS

FT MANAGED FUNDS SERVICE

■ FT Cityline Unit Trust [illegible] are available over the telephone. Call the FT Cityline [illegible] on (071) 873 4378 for more details.

	Bid Price	Offer Price	+ or -	Yield Gross
Royal Liver Assurance				
Royal Liver Building, Liverpool, L3 1HT. 051-236 1451				
UK Equity	84.6	89.0	—	-
Global Equity	82.3	86.6	—	-
High Yield	81.9	86.2	—	-
Intl Equity	90.3	95.0	—	-
Fixed Interest	82.8	88.9	—	-
Money	76.1	80.1	—	-
Managed	85.8	90.4	—	-
Pensions				
UK Equity	92.7	[illegible]	—	-
Global Equity	88.8	[illegible]	—	-
High Yield	96.2	[illegible]	—	-
Intl Equity	101.7	[illegible]	—	-
Fixed Interest	99.60	[illegible]	—	-
Money	94.1	[illegible]	—	-
Managed	97.3	[illegible]	—	-
Tax Exempt				
Tax Exempt Mgd	72.9	76.7	—	-
S-E-Banken Life Assurance Co Ltd				
149-151 High Rd, Chadwell Hth RM6 6PJ 081-597 7565				
Managed Fund	162.5	171.1	—	-
Pension Mngd Fd	183.7	193.4	—	-
Save & Prosper Group (z)				
16-22 Western Rd, Romford RM1 3LB 0708-766966				
Bal Inv Fd	797.4	843.9	+5.7	2.15
Coverdale AG Bond Fd	171.4	181.4	+0.9	-
Deposit Fd†	358.7	380.7		6.81
Directors' Portfolio	91.7	97.1	+1.8	-
Equity Pens Fd	207.3	219.4	+2.9	-
European Mngd Fd	70.8	75.0	+0.8	-
Gilt Fd	549.8	581.8	-0.7	7.32
Gilt Pens Fd	151.3	160.0	-0.2	7.01
Global Equity Fd	250.8	265.2	+1.8	-
Global Eq Pens Fd	251.7	266.4	+1.9	-
High Int Pens Fd†	132.0	139.7		5.66
Japanese Mngd Fd	90.1	95.4	+1.8	-
Managed Income Fd	53.3	56.5	+0.3	5.88
Man Pens Fd	213.3	225.8	+2.0	1.84
North American Mngd Fd	73.1	77.4	+0.4	-
Pacific Mngd Fd	94.0	99.5	+0.5	-
Property Fd*	96.3	102.0	—	6.11
Prop Pens Fd*	126.2	133.6	—	6.77
Thornton Lambert Manager	244.3	258.6	+1.1	-
UK Capital Portfolio	67.2	71.2	+0.8	-
UK Managed Gth Fd	64.8	68.4	+0.7	-
†Weekly dealings. *Fortnightly dealings				
Scottish Amicable				
150 St Vincent St, Glasgow [illegible] 2323				
Life Funds (First Series)				
Managed	485.1	510.7	-0.70	-
Equity	616.6	649.0	+2.60	-
Property	281.5	296.4	—	-
International	485.7	511.3	+2.60	-
Japanese	121.3	127.7	-0.10	-

	Bid Price	Offer Price	+ or -	Yield Gross
Skandia Life Assurance Co Ltd - Contd.				
Fidelity Managed	220.4	231.9	+0.8	-
Fleming Managed Inv Fd	151.8	159.7	-0.1	-
F & C Investment Trust	196.7	207.0	+0.8	-
Framlington Managed	248.4	261.4	+0.9	-
Gartmore Managed	280.9	295.6	+3.0	-
Henderson Managed	280.6	295.5	+1.6	-
Hill Samuel Managed	245.6	258.5	-0.9	-
Invesco Managed	213.1	224.3	+1.9	-
James Capel Core Mngd	148.0	155.7	+0.3	-
Kleinwort Benson Mngd	147.4	155.1	+0.5	-
Martin Currie Mngd	163.4	172.0	+0.2	-
Morgan Grenfell Mngd	167.1	175.8	+0.1	-
Murray Johnstone Managed	162.2	170.7	-0.4	-
Perpetual Managed	234.6	246.9	+1.9	-
Schroder Managed	145.5	153.1	+1.0	-
Pension Managed Funds				
Skandia Cautious	165.6	174.3		-
Skandia Balanced	628.2	661.2	-1.2	-
Skandia Ethical Selection	141.8	149.2		-
Skandia Deposit	447.8	471.1	+0.1	-
Abtrust Managed	151.5	159.4	-0.6	-
Baring Managed	174.9	184.1	+1.3	-
BZW Managed	137.4	144.6	-0.5	-
CU Managed	311.8	328.2	+1.7	-
Fidelity Managed	248.4	261.4	+1.0	-
Fleming Managed Inv Fd	176.4	185.6	-0.1	-
F & C Investment Trust	228.1	240.1	+2.8	-
Framlington Managed	387.5	407.8	+1.7	-
Gartmore Managed	423.5	445.7	+5.4	-
Henderson Managed	378.9	398.7	+2.7	-
Hill Samuel Managed	318.7	335.4	-0.3	-
Invesco Managed	302.1	318.0	+1.9	-
James Capel Core Mngd	168.0	176.8	+0.4	-
Kleinwort Benson Mngd	159.2	167.5	+0.7	-
Martin Currie Mngd	184.8	194.5	+0.3	-
Morgan Grenfell Mngd	190.7	200.7	+0.1	-
Murray Johnstone Mngd	174.3	183.4	-0.3	-
Perpetual Managed	288.6	303.7	+1.3	-
Schroder Managed	160.7	169.1	+1.8	-
Standard Life Assurance Company				
3 George St, Edinburgh EH2 2XZ 031-225 2552				
Managed	747.3	786.7	-2.7	-
Equity	1073.5	1130.0	-4.3	-
Fixed Interest	423.0	[illegible]	-2.0	-
Index-Linked	218.5	[illegible]	-0.4	-
International	658.5	[illegible]	-2.1	-
North American	150.7	[illegible]	+0.1	-
Far East	167.3	[illegible]	-0.3	-
European	178.1	[illegible]	-1.2	-
Property	338.5	[illegible]	—	-
Cash	282.2	[illegible]		-
Pension Managed	1067.0	[illegible]	-3.2	-
Pension Stock Exchange	239.6	[illegible]	-0.7	-
Pension Equity	1561.4	[illegible]	-6.3	-
Pension Fxd Int	670.8	[illegible]	-2.5	-

Templeton Life Assurance Limited

Tunbridge Wells Equitable

Woolwich Life Assurance Co Ltd

Zurich Life Assurance Co Ltd

OFFSHORE INSURANCES

AXA Equity & Law Intl Life Assce Co

Albany International Assurance Ltd

Allied Dunbar International Assurance Ltd

Equitable Life (International) Ltd

Lombard International Assurance SA

Labrow International Group

Providence Capital International Ltd

Royal Scottish Life Assurance Ltd

MANAGEMENT SERVICES

Capital Trust Financial Management

J. D. Ward Financial Services Ltd

OFFSHORE AND OVERSEAS

BERMUDA (SIB RECOGNISED)

Fidelity Money Funds

CANADA (SIB RECOGNISED)

GUERNSEY (SIB RECOGNISED)

Rothschild Asset Management - Contd.

GUERNSEY (REGULATED)(**)

IRELAND (SIB RECOGNISED)

GT Asset Management - Contd.

IRELAND (REGULATED)(**)

ISLE OF MAN (SIB RECOGNISED)

CMI Fund Managers - Contd.

ISLE OF MAN (REGULATED)(**)

JERSEY (SIB RECOGNISED)

JERSEY (REGULATED)(**)

FT MANAGED FUNDS SERVICE

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LUXEMBOURG (SIB RECOGNISED)

LUXEMBOURG (REGULATED)(**)

SWITZERLAND (SIB RECOGNISED)

OTHER OFFSHORE FUNDS

MANAGED FUNDS NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % allow for all buying expenses. Prices of certain older insurance linked plans subject to capital gains tax on sales. a Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Designated as a UCITS (Undertakings for Collective Investment in Transferable Securities). z Offered price includes all expenses except agent's commission. y Previous day's price. ✠ Guernsey gross. § Suspended. ◆ Yield before Jersey tax. † Ex-subdivision. ‡ Only available to charitable bodies. ◆ Yield column shows annualised rates of NAV increase, all on dividend.

(**) Funds not SIB recognised. The regulatory authorities for these funds are: Guernsey Financial Services Commission; Ireland: Central Bank of Ireland; Isle of Man: Financial Supervision Commission; Jersey: Financial Services Department; Luxembourg: Institut Monetaire Luxembourgeois.

CURRENCIES AND MONEY

MARKETS REPORT

Doubts over D-Mark

The Bundesbank's decision yesterday [illegible] keep its main interest rates unchanged unnerved foreign exchange markets [illegible] ment [illegible] German monetary policy, *writes Philip [illegible]*

Although views had [illegible] split about the likelihood of policy being eased, many in the market [illegible] that the Bank's actions may prove counter-productive.

The extent to which the [illegible] surprised some [illegible] captured by the near record levels of activity in Bund [illegible] and EuroDmark futures.

■ The first hint that the Bundesbank might not [illegible] policy [illegible] with the publication [illegible] figures which [illegible] an [illegible] 8.1 per cent [illegible] December, well [illegible] the 7.2 per cent consensus forecast.

While a high M3 [illegible] well flagged [illegible] Bundesbank had indicated [illegible] it would [illegible] aberrant, [illegible] in [illegible] market [illegible] yesterday's [illegible] a reminder [illegible] money supply [illegible] would be central [illegible] the Bank's decision. If this view is correct, the market may have [illegible] until the [illegible] council's [illegible] 17 meeting [illegible] policy [illegible] changed because fresh [illegible] supply data [illegible] not expected much before then.

Observers said [illegible] Bank would also want [illegible] avoid repeating [illegible] error of last [illegible] in anticipation of good [illegible] supply figures which failed to materialise.

Sentiment towards the D-Mark [illegible] depressed by [illegible] lack [illegible] clarity [illegible] Bank's repo operations. [illegible] Bank [illegible] it will be returning [illegible] announcing [illegible] weekly [illegible] rate following [illegible] period [illegible] which [illegible] fixed [illegible] per cent. If a variable rate is announced, the market will take this [illegible] signal that the Bank is prepared to allow rates to slip below 6 [illegible] cent, thus easing policy.

[illegible] of analysts said [illegible] resolute in [illegible] to lead, rather than follow, the market. Mr Nick Parsons, chief [illegible] at [illegible] said [illegible] strategy, however, [illegible] being counterproductive. "It [illegible] noticeably underpinned the DM [illegible] the long bund future." He [illegible] one could now anticipate [illegible] speculation every [illegible] when the [illegible] council [illegible] If this [illegible] the case it will introduce [illegible] volatility [illegible] instability in [illegible] system."

Other commentators [illegible] Bundesbank [illegible] in cutting [illegible] had increased [illegible] risk [illegible] impatient US investors in the bund market would [illegible] their investments into dollars, [illegible] undermining the [illegible] currency.

A further possible explanation for [illegible] decision came yesterday from Swiss National [illegible] president, [illegible] Markus Lusser. [illegible] told a Frankfurt [illegible] station [illegible] US representatives had recently urged Bundesbank [illegible] to lower rates. He said he had advised the Bundesbank [illegible] advice.

In another revealing observation, Mr Lusser added: "There is no global economic [illegible] monetary policy yet. There [illegible] European economic [illegible] monetary policy. And [illegible] long as we have only national institutions, national [illegible] banks, that [illegible] monetary policy. [illegible] responsible to their own economies and citizens."

Considering [illegible] timing and location of the comments and their strong message of economic sovereignty, analysts [illegible] it [illegible] likely that Mr Lusser had cleared his remarks with Mr [illegible] Tietmeyer, the Bundesbank president.

■ The dollar made sharp gains [illegible] the close of [illegible] trading yesterday on market rumours of [illegible] possible tightening of monetary policy by [illegible] US [illegible] The speculation [illegible] prompted by [illegible] Fed's failure to [illegible] system [illegible] this [illegible] widely anticipated. Earlier the US currency [illegible] eased only slightly [illegible] it was leaving official interest [illegible] unchanged and after [illegible] of [illegible] rise in U.S. weekly jobless claims.

Although President Clinton has [illegible] no [illegible] tighten policy, [illegible] to [illegible] odds with Mr Alan Greenspan, [illegible] of the [illegible] US observers believe his congressional testimony [illegible] this [illegible] priming Congress for higher rates. [illegible] yesterday the dollar [illegible] trading [illegible] Y108.40 [illegible] close [illegible] level, [illegible] a pfennig up on DM1.7314 where it closed in London.

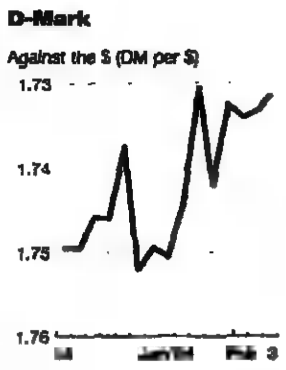
■ The yen receded from the spotlight yesterday after [illegible] emerged of prime minister Mr [illegible] Hosokawa's planned [illegible] stimulus package. Uncertainty about [illegible] final shape of [illegible] package, [illegible] ongoing [illegible] the US, [illegible] the [illegible] nervous. The yen closed [illegible] London [illegible] the dollar, marginally weaker than [illegible] Wednesday close.

■ Yesterday [illegible] quiet day [illegible] sterling with no important releases and [illegible] attention focused [illegible] D-Mark. Dealers [illegible] it continued the recent pattern of tracking [illegible] dollar closely. It closed marginally higher in London [illegible] DM2.5937. It also [illegible] slightly against the dollar to finish at $1.498.

The [illegible] of England provided the UK money market with about £300m sterling of [illegible] unspecified assistance. Earlier the Bank had provided [illegible] revising [illegible] liquidity shortage to £1.05bn, up [illegible] an earlier estimate of £900m.

D-Mark

Against the $ (DM per $)



Source: FT Graphite

■ Pound in New York

Feb [illegible]	--Latest--	--[illegible] close--
£ spot	1.4920	[illegible]
1 mth	1.4895	[illegible]
3 mth	1.4845	[illegible]
1 yr	1.4724	1.4747

POUND SPOT FORWARD AGAINST THE POUND

[illegible]

DOLLAR SPOT FORWARD AGAINST THE DOLLAR

[illegible]

CROSS RATES AND DERIVATIVES

EXCHANGE CROSS RATES

Feb.3		BFr	DKr	FFr	DM	I£	L	Fl	NKr	Es	Pta	SKr	SFr	£
Belgium	(BFr)	[illegible]	[illegible]	16.42	[illegible]	[illegible]	[illegible]	[illegible]	20.76	487.3	[illegible]	21.97	[illegible]	[illegible]
Denmark	[illegible]	53.20	[illegible]	8.734	2.673	[illegible]	2603	2.983	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
France	(FFr)	[illegible]	11.45	10	[illegible]	1.180	2866	[illegible]	[illegible]	[illegible]	[illegible]	13.38	[illegible]	[illegible]
Germany	[illegible]	[illegible]	[illegible]	3.394	1	[illegible]	[illegible]	1.120	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ireland	[illegible]	51.61	[illegible]	[illegible]	[illegible]	1	[illegible]	2.797	10.73	251.5	[illegible]	11.34	[illegible]	0.962
Italy	(L)	[illegible]	[illegible]	0.349	[illegible]	[illegible]	100.	0.115	[illegible]	10.36	[illegible]	[illegible]	[illegible]	0.040

[illegible]

EMS EUROPEAN CURRENCY UNIT RATES

[illegible]

WORLD INTEREST RATES

MONEY RATES

[illegible]

EURO CURRENCY INTEREST RATES

[illegible]

UK INTEREST RATES

LONDON MONEY RATES

[illegible]

BASE LENDING RATES

[illegible]

MONEY MARKET FUNDS

Money Market Trust Funds

[illegible]

Money Market Bank Accounts

[illegible]

WORLD STOCK MARKETS

EUROPE

AUSTRIA (Feb 3 / Sch)

[illegible]

BELGIUM/LUXEMBOURG (Feb 3 / Frs.)

[illegible]

DENMARK (Feb 3 / Kr)

[illegible]

FINLAND (Feb 3 / Mks)

[illegible]

FRANCE (Feb 3 / Frs.)

[illegible]

GERMANY (Feb 3 / Dm.)

[illegible]

ITALY (Feb 3 / Lire)

[illegible]

NETHERLANDS (Feb 3 / Fl.)

[illegible]

NORWAY (Feb 3 / Kroner)

[illegible]

SPAIN (Feb 3 / Pts.)

[illegible]

SWEDEN (Feb 3 / Kronor)

[illegible]

SWITZERLAND (Feb 3 / Frs.)

[illegible]

PACIFIC

JAPAN (Feb 3 / Yen)

[illegible]

AUSTRALIA (Feb 3 / Aust$)

[illegible]

HONG KONG (Feb 3 / H.K.$)

[illegible]

MALAYSIA (Feb 3 / M.YR)

[illegible]

SINGAPORE (Feb 3 / S$)

[illegible]

NORTH AMERICA

CANADA

TORONTO (Feb 3 / Can $)

4 pm close

[illegible]

MONTREAL (Feb 3 / Can $)

4 pm close

[illegible]

AFRICA

SOUTH AFRICA (Feb 3 / Rand)

[illegible]

Prices supplied by Telekurs

NOTES - Prices on this page are as quoted on the individual exchanges and are usually last traded prices. Highs/Lows are 1993-94, except Toronto & Montreal (daily). # Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

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■ TOKYO - MOST ACTIVE STOCKS: Thursday, 3rd February 1994

	Stocks Traded	Closing Prices	Change on day		Stocks Traded	Closing Prices	Change on day
Nissan Motor	14.3m	855	+14	The Daiei Inc	7.0m	1,880	+50
Nippon Steel	8.7m	346	-4	Hitach Zosen	7.0m	579	-10
Mitsubishi Heavy	7.9m	704	-5	Japan Metal & Chem	6.1m	643	-7
Fujitsu Ltd	7.6m	1,020	-20	Itochu Corp	6.0m	679	+9
NEC Corp	7.2m	1,040	-20	Nomura Secs	5.7m	2,320	-10

INDICES

[illegible]

US INDICES

[illegible]

■ RATIOS

[illegible]

■ STANDARD AND POORS 500 INDEX FUTURES $500 times index

[illegible]

Open interest figures are for previous day.

■ CAC-40 STOCK INDEX FUTURES (MATIF)

[illegible]

Open interest figures are for previous day.

■ NEW YORK ACTIVE STOCKS

Wednesday	Stocks traded	Close price	Change on day
Sears Roe	6,888,200	51⅛	-2⅛
Unisys Corp	4,409,100	14⅝	+⅛
RJR Nabisco	4,253,500	14⅛	+⅛
Emp Lg Mod	4,223,400	35⅝	—
Wal-Mart	4,170,800	27⅝	+⅛
Telefonos	3,475,400	74	—
Wachovia	3,404,300	33	-1⅛
K Mart	2,377,800	19⅝	-⅛
Paramount	3,120,800	78	-1⅛
Hanson	2,717,800	22⅝	+⅛

■ TRADING ACTIVITY

● Volume (million)

	Feb 2	Feb 1	Jan 31
New York SE	328.708	314.177	307.920
Amex	23.949	24.212	23.244
NASDAQ	334.055	330.754	329.921
NYSE			
Issues Traded	2,733	2,743	2,756
Rises	1,268	939	1,406
Falls	844	1,132	730
Unchanged	621	672	620
New Highs	101	139	209
New Lows	14	15	15

[illegible] GMT. ● Excluding bonds. ‡ Industrial, plus Utilities, Financial and Transportation. [illegible] day's highs and lows are the averages of the highest and lowest prices reached during the day by each [illegible] highs and lows (supplied by Telekurs) represent the highest and lowest values that the index has reached [illegible] brackets are previous day's). ▼ Subject to official recalculation.

4 pm close February 3

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

1993/94 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
16⅝	11½	AAR	0.48	2.9	550	422	16½	16	16½	+⅜
29⅞	12¾	A L Labs A	0.18	1.1	37	519	16⅞	15¾	16⅛	+½
67¾	54⅝	AMP	1.68	2.7	21	2237	63⅛	62	62	-1⅛
72¾	55½	AMR			34	2597	72¾	71½	71⅝	
5	1⅞	ARX			19	356	4⅜	4⅝	4¾	+⅛
58⅛	29⅞	ASA	2.00	3.9	34	1457	51⅝	50⅞	51½	+1¼
30¾	22⅞	AbbtL	0.88	2.3	17	9798	30	29⅝	30	-⅛
13	8¾	AbbtGl Pr	0.50	4.0	8	23	12¾	12⅝	12⅝	
15⅝	8¾	Acptncein			24	13	13⅛	13	13⅛	
36	25½	ACE Ltd	0.40	1.4	5	591	28½	28¼	28⅜	-⅛
12⅝	10¾	ACM Gvt In x	1.08	8.9		245	12⅜	12¼	12¼	
10⅛	9⅛	ACM GvOpp x	0.80	8.1		105	d10⅛	9⅞	9⅞	-⅛
10⅝	8¾	ACM Gvt Sp x	0.96	9.4		288	10⅜	10¼	10¼	-⅛
12¼	10½	ACM Gvt Se x	1.09	9.2		355	11⅞	11⅝	11⅞	+¼
12¾	9⅝	ACM Man x	1.08	9.4		291	11⅝	11½	11½	-⅛
9⅞	8⅝	ACM Mangd x	0.72	8.0		241	9⅛	9	9	-⅛
12⅞	7⅞	AcmeClv	0.44	4.3	12	14	10⅜	10¼	10¼	
11⅞	6⅞	Acme Elect			38	292	8⅞	7⅝	8⅞	+⅝
27⅝	18⅜	Acordia	0.44	1.9	13	54	23¼	23	23¼	
9¼	8⅝	Acteva	0.36	4.2	17	147	8½	8⅜	8½	
16	10½	Acuson			55	140	12⅛	11⅞	12⅛	+⅛
21¾	17⅝	Adams Expr	0.39	2.1	0	23	18⅝	18¼	18⅝	
66¼	45½	Ad Micro	3.00	5.9		97	51	50¾	51	
32¼	16¾	AdvMic	3.00	14.4	9	5632	20⅞	20½	20⅞	+¼
8⅛	5½	Advest Grp	0.16	2.3	10	160	6⅞	6¾	6⅞	
24¼	14¾	Advo Inc	0.08	0.4	128	336	19⅛	18⅝	19	
58½	41⅞	Aegon ADR	1.23	2.2	12	62	55⅞	54¾	54⅞	-⅝
66¼	43⅞	AetnaL	2.76	4.5	26	1630	63	61¾	62	-1¼
34	24¾	Aflac	0.40	1.4	13	[illegible]	29¾	28½	29	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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NYSE COMPOSITE PRICES

4 pm close February 3

Continued from previous page

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NASDAQ NATIONAL MARKET

4 pm close February 3

[illegible]

AMEX COMPOSITE PRICES

4 pm close February 3

[illegible]

AMERICA

Weaker bonds trigger sharp decline by Dow

Wall Street

US share prices fell sharply yesterday morning in reaction to a sell-off in the US Treasury market, *writes Frank McGurty in New York.*

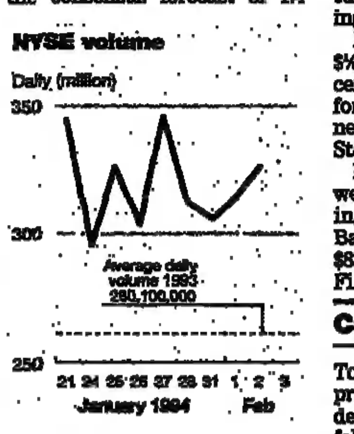
By 1 pm, the Dow Jones Industrial Average was 17.73 lower at 3,957.81, while the more broadly based Standard & Poor's 500 was 2.62 down at 479.38. In the secondary markets, the American SE composite was 1.54 easier at 486.35, and the Nasdaq composite off 3.99 at 796.58.

Volume on the NYSE was heavy, with 188m shares traded by 1 pm. Declines led advances by 1,235 to 753.

After a record-breaking session for most market measures and an 11-point advance by the Dow industrials, stocks were ripe for profit-taking. Bonds provided the trigger, as growing speculation that the Federal Reserve Board would soon tighten its accommodative monetary policy sent a shiver through the US Treasury market. Prices across the yield curve slid, led by the benchmark 30-year security which tumbled ½ to 99 during the morning.

The day's economic news was mixed, and somewhat inconclusive. The Labor Department reported a 59,000 jump in weekly claims for unemployment benefit, but the unfavourable trend was largely blamed on the cold weather and disruption caused by the Los Angeles earthquake.

Separately, the Commerce Department said that December factory orders were up 1.2 per cent. The figure was strong, but it fell just below the consensus forecast of 1.4 per cent.



With most investors focusing their attention on today's report on January employment data, US retailers and motor vehicle manufacturers were posting sales figures for last month.

Among the Big Three, Ford was the first to release its results. With car sales showing a solid 3.6 per cent gain over last year, investors lifted the stock $1 to $68⅞. General Motors was $⅜ better at $61⅞ and Chrysler up $⅜ at $61⅞.

In retailing, Woolworth, a Dow component, was marked down $1⅛ to $24⅜ after announcing lower January sales and warning of a downturn in fourth-quarter earnings.

Elsewhere, Wal-Mart edged $⅛ ahead at $27⅞ on a 5 per cent increase in stores opened for at least one year. JC Penney added $⅛ to $54 and Gap Stores $⅜ at $41⅞.

Interest rate-sensitive stocks were put into play. Many banking issues suffered setbacks. Bankers Trust retreated $1⅛ to $83, Chemical $⅞ to $38⅛ and First Interstate $1⅞ to $67.

Canada

Toronto was dragged lower by profit-taking in brisk midday dealings. The TSE 300 index fell 21.92 to 4,551.51 at noon in volume of 64.9m shares.

The media sector, 134.54 or 1.5 per cent higher at 9,340.94, was enlivened by Rogers Communications's unexpected takeover approach to Maclean Hunter. Rogers shed C$⅜ to C$20⅞ but Maclean Hunter put on C$1⅞ to C$17 in volume of 4m shares.

ASIA PACIFIC

Nikkei slips amid turmoil as fiscal package delayed

Tokyo

Investors were inactive as the turmoil within the coalition government over the economic fiscal package, including the tax changes, blocked its scheduled announcement, *writes Emiko Terazono in Tokyo.*

The Nikkei average lost 75.21 at 20,174.82 as caution prevailed, due to the prolonged negotiations within the coalition. The Topix index of all first section stocks slipped 14.93 to 1,612.73.

The 225-issue Nikkei fluctuated between 20,433.04 and 19,935.19. It was higher in the morning, with overseas investors and arbitrageurs encouraged by Wednesday's rise in the Nikkei futures contract in Chicago; but profit-taking by domestic corporations and financial institutions held sway later, even though some investors, looking to increase their exposure, sought bargains at lower levels.

Social Democratic Party opposition to the increase in sales taxes, designed to finance an income tax cut, prevented the announcement of the economic support package. The SDP threatened to pull out of the coalition if Mr Morihiro Hosokawa, the prime minister, pushed forward with the Finance Ministry's plan.

Traders said a compromise was expected, as in earlier political issues such as rice and political reform, and that the effects of the political infighting were limited.

Volume totalled 550m shares, against 669m. A bulk of the activity consisted of cross trading, or selling and buying back of long term holdings to realise profits. Declines led gains by 808 to 257, with 123 issues unchanged. In London the ISE/Nikkei 50 index was 0.39 firmer at 1,333.66.

Profit-taking by corporate investors hurt banks, Industrial Bank of Japan retreating Y110 to Y3,200. Brokers were also lower, with Nomura Securities down Y10 to Y2,320.

Honda Motor continued to lose ground due to the lingering effects of the BMW/Rover deal, dropping Y30 to Y1,530; but Nissan Motor, the most active issue of the day, rose Y14 to Y855 on foreign buying.

High-tech issues were easier on the higher yen. Fujitsu receded Y20 to Y1,020 and NEC Y20 to Y1,040.

In Osaka, the OSE average shed 246.18 to 21,711.81 in volume of 134.1m shares. Ono Pharmaceutical fell Y110 to Y5,190 on profit-taking.

Roundup

The region remained active yesterday, with foreign buying evident in several markets.

AUSTRALIA rose on overseas buying of major issues and strength in News Corp, up 52 cents at A$10.56, after the group reported a bigger than expected increase in interim profits. The All Ordinaries index climbed 28.5 to a record 2,340.6 in turnover of A$972.5m.

BHP finished 28 cents stronger at A$19.50, but off an intraday high of A$19.60.

HONG KONG posted moderate net gains after profit-taking brought prices down from their best levels. The Hang Seng index was finally ahead 65.30 at 11,851.13 after reaching 11,947.28.

HSBC Holdings forged ahead HK$4, or 3.3 per cent, to HK$124 as investors were encouraged by the strong results of the group's US and Australian units.

MANILA continued to advance, encouraged by news that GNP grew by 2.3 per cent in 1993, although some profit-taking trimmed the day's best levels as investors remained cautious after this week's bombings and street protests over fuel price increases.

The composite index put on 16.85 at 2,922.99. Manila Electric "B" led gains, adding 15 pesos at 445 pesos, and PLDT firmed 10 pesos to 2,140 pesos.

SINGAPORE was boosted by selective institutional buying, taking the Straits Times Industrial index 22.45 higher to 2,360.53. F&N, which bottles Coca-Cola, rose S$1.10 to S$18.70 on hopes that Vietnamese trading agreements signed last year might go ahead on expectations that the US will lift a trade embargo with that country.

KUALA LUMPUR closed off highs on profit-taking which left the composite index 2.17 ahead at 1,150.21, after a day's peak of 1,158.13. Construction and Supplies House surged M$2.85, or 52 per cent, to M$8.35 in heavy volume after the company announced a M$900m timber deal.

KARACHI was propelled higher by blue chips, which posted gains ahead of the Friday-Saturday weekend. The KSE 100-share index moved forward 36.40 to 2,290.42.

TAIWAN was lifted by financial stocks, which were actively traded in the last half-hour of the session. The weighted index rose 102.87 to 6,362.08 in turnover of T$122.9bn, its highest level in nearly a month.

NEW ZEALAND overcame weakness at the opening to close 20.96 points higher in the NZSE-40 capital index at 2,439.64. Fletcher Challenge and Carter Holt Harvey, in the forestry sector, both gained 8 cents at NZ$3.71 and NZ$4.16.

BOMBAY recovered some of its earlier losses in kerb deals before prices again fell after a special court ordered firms not to accept for transfer shares linked to the Mehtra securities scandal. The BSE 30-share index shed 35.68 to 4,000.96.

EUROPE

Bourses weaken on lack of German cut

The Bundesbank's refusal to cut key interest rates, and the high German December M3 growth rate which preceded it, had a progressively weakening effect on bourses, *writes Our Markets Staff.*

FRANKFURT began by threatening the 2,200 level for the second time this week, the Ibis-indicated Dax index peaking at 2,193.57 in the pre-bourse, but an 8.1 per cent growth in December M3 heralded the Buba interest rate decision and the slide began.

The Dax closed 32.29 lower at 2,151.72 on the session, and just off its low for the day at 2,137.08 in the post bourse. Mr John Blackley of James Capel acknowledged that rate cuts were not expected a week ago but said that, this week, a number of German banks had changed their minds and forecast cuts of a quarter-point.

Turnover was flat at DM9.4bn. Among interest rate-sensitive stocks, utilities reflected the Buba news with RWE down DM15.50 to DM475.50 by the end of the post-bourse, and Veba off DM15 at DM495. Elsewhere, Preussag dropped DM11.50 to DM451.50 although analysts said that its 56 per cent drop in 1992/93 net profits was a case for a buy recommendation.

PARIS reflected disappointment at the lack of a German cut, even although this had largely been discounted by most analysts, while many investors decided that the time was ripe for profit-taking after Wednesday's record high.

The CAC-40 index dropped steadily during the session, closing off 33.94 or 1.4 per cent at 2,321.99.

Turnover was FFr5.2bn. The authorities confirmed yesterday that turnover reached a record level during January, with average daily transactions of some FFr6bn.

Elf Aquitaine fell back FFr4.70 to FFr426.00 following the announcement after hours on Wednesday of the public offer price of FFr385 per share. The offer period lasts until February 10, with the institutional pricing to be set on February 14.

Euro Disney remained under pressure, down FFr2.70 to FFr33.50, with further negative news being reported in the domestic media. The shares have lost some 8 per cent so far this week.

Paribas dipped FFr8 to FFr581 ahead of its 1993 results which, after the close, were within expectations.

FT-SE Actuaries Share Indices

Feb 3								THE EUROPEAN SERIES
Hourly changes	Open	10.30	11.00	12.00	13.00	14.00	15.00	Close
FT-SE Eurotrack 100	1540.59	1538.61	1538.71	1536.14	1529.50	1529.07	1527.80	1527.17
FT-SE Eurotrack 200	1607.57	1606.53	1605.49	1604.84	1599.09	1597.28	1594.27	1594.74

	Feb 2	Feb 1	Jan 31	Jan 28	Jan 27
FT-SE Eurotrack 100	1540.13	1532.83	1540.19	1510.22	1499.59
FT-SE Eurotrack 200	1607.10	1598.18	1604.28	1578.86	1586.24

Base value 1000 (26/10/90); High/day: 100 - 1540.59; 200 - 1608.36 Low/day: 100 - 1528.33 200 - 1592.68.

AMSTERDAM saw a 5 per cent fall in Wolters Kluwer, the publishing house, on reports that subscribers to the group's specialised publications felt that prices were too high. There were further reports that some subscribers were calling for a boycott of the publisher's highly profitable legal publications.

Wolters Kluwer's shares dropped Fl 6.20 to Fl 126.20, but off a session low of Fl 122.80. A broker at MeesPierson in Amsterdam remarked that he thought the reports were exaggerated, and considered the sharp decline more the result of institutions using this as an excuse to take profits: the shares had risen some 22 per cent since December before yesterday's fall.

KLM was the day's other main story, as the airline announced plans to issue 20m new shares, and reported a rise in third quarter net profit. The shares lost 80 cents to Fl 48.20, but had been trading at Fl 49.30 during the day.

The AEX index slipped 2.09 or 0.5 per cent to 435.27.

MILAN was hit by profit-taking after its five session rally, and some of the best recent gainers took the biggest tumbles. The Comit index, calculated once a day, put on 4.55 to 672.85 but late weakness was reflected in a fall of 112 in the real-time Mibtel index to 10,693.

Montedison shed L53 or 4.3 per cent to L1,190; its shareholder register showed that no outsider held more than 2 per cent, confounding speculation of stakebuilding.

Against the trend, banking stocks continued to benefit from the success of this week's privatisation of IMI: the public offer sold out in two days and was heavily oversubscribed. Credito Italiano soared L76 or 3.2 per cent to L2,474. BCI, facing privatisation later this month, gained L46 to L5,115.

ZURICH finished lower in line with other markets, the SMI index shed 17.2 to 3,159.9.

Among blue chips going against the trend, Ciba bearers added SFr4 to SFr955 on the view that they were undervalued compared with Sandoz. Swiss Re, seen as having trailed the general market, put on SFr8 to SFr711.

STOCKHOLM marched further into record territory before profit-taking left the Affärsvärlden index 11.6 lower at 1,591.2. Electrolux B added SKr19 to SKr400 in further response to Wednesday's better than expected 1993 results.

ISTANBUL dropped 5 per cent, the composite index ending 975.68 lower at 18,487.74, well off its worst, for a two-day loss of 11.9 per cent.

Written and edited by William Cochrane, John Pitt and Michael Morgan

Threefold support for soaring Helsinki

Christopher Brown-Humes on interest rates, economic optimism and foreign buying

Finland has begun 1994 as it ended 1993, as western Europe's top performing stock market. Already the Hex index has risen 23 per cent this year, eclipsing the optimists' wildest expectations.

Mr Kim Lindstrom, managing director of UBF Fund Management, admits to being caught out by the strength of the surge. Like many commentators he expected the market to carry on rising this year, but at a much slower rate than in 1993 when the Hex climbed 91 per cent. "At the start of the year, I thought share prices would rise by 25 to 30 per cent this year; now 35 to 40 per cent looks more likely," he says.

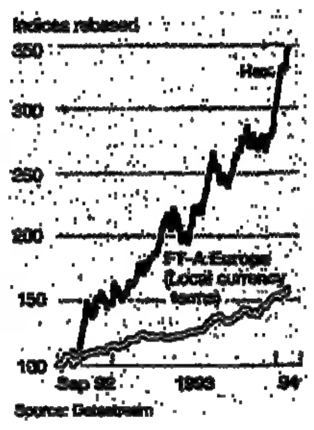
At yesterday's close of 1,962 the Hex is within striking distance of its 1989 all-time high of 2,009. Most analysts regard the scaling of this peak as a mere formality – a matter of weeks, at most.

Three factors continue to drive the market. One is the dramatic slide in interest rates; the Bank of Finland's 5.25 per cent base rate is at its lowest for 40 years. This has led to a significant switching out of bank deposits and, with further cuts in rates expected, there has been an explosive growth in mutual funds, which are thought to be funnelling as much as 80 per cent of their funds into domestic equities. On one estimate, mutual funds now have FM5bn ($900m) under management, against just FM570m at the end of 1992.

The second factor is the marked increase in optimism about Finland's economic outlook. GNP is expected to rise this year for the first time since 1990; the current account should move strongly into surplus; and there are even suggestions that Finland's 20 per cent unemployment rate has reached its peak. A dramatic improvement in corporate profitability is underpinning the optimism.

Finally, there is foreign buying. Foreigners accounted for much of 1993's big surge on the Helsinki bourse, after restrictions on foreign share ownership were relaxed at the start of the year. They remain net investors, thanks to the fundamentals and because a strengthening of the Finnish markka is providing favourable currency exposure.

Signs that the market has entered a new phase are apparent from the way that buying preferences have started to change. In recent days, banking and finance companies, construction issues and real estate investment groups have come to the fore, eclipsing the big export groups which led the way during 1993. Forestry,



one of the star sectors of 1993, has underperformed the market this year with a gain of a relatively modest 12 per cent.

As worries about overheating grow, the market advance will inevitably slow and become less sure. The rise will be dampened further by an increase in equity supply. A number of groups are expected to launch new share issues to rebuild recession-weakened balance sheets. There is also a good chance that the government, finally, will launch its privatisation programme. One suggestion is that it will initially seek to sell off chunks in state-controlled companies already listed, such as Enso-Gutzeit, the forestry group; Valmet, in paper machinery; and Outokumpu, in mining.

The relatively small size of the Helsinki stock exchange – total market capitalisation is only around FM160bn – has always made it one of Europe's more volatile markets. With foreigners now accounting for an estimated FM30bn of that total, the dangers of sudden lurches are all the greater, particularly if overseas institutions decide to lock in profits or find more attractive investments elsewhere.

Few anticipate a sudden foreign pull-out as things stand. But there is concern about developments in the country's giant eastern neighbour, Russia, where the political climate has changed following the successful showing of the nationalist Mr Vladimir Zhirinovsky in December's parliamentary elections. So far the stock market has shrugged off the Zhirinovsky factor, but should his pronouncements end up being more than mere talk, Helsinki will be one of the bourses to suffer most.

SOUTH AFRICA

Johannesburg was mixed as bullion disappointed an otherwise steady market. Golds fell 26 to 1,995, industrials picked up 43 to 5,722 and the overall index was 34 firmer at 4,933. Anglos added R5 at R208 and Remgro R1.75 at R33.50.

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Ltd., Goldman, Sachs & Co. and NatWest Securities Ltd. in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS	WEDNESDAY FEBRUARY 2 1994								TUESDAY FEBRUARY 1 1994					DOLLAR INDEX		
Figures in parentheses show number of lines of stock	US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	1993/94 High	1993/94 Low	Year ago (approx)
Australia (69)	186.46	0.0	184.91	127.35	168.12	173.69	-0.0	2.98	186.54	183.51	126.93	167.49	173.59	186.54	121.05	121.05
Austria (17)	193.81	-0.8	192.20	132.37	174.75	174.43	-0.4	0.91	195.41	192.23	132.96	175.45	175.10	195.41	139.23	139.50
Belgium (42)	167.31	-1.1	165.92	114.27	150.85	147.90	-0.5	3.89	169.08	166.33	115.04	151.81	148.56	169.08	138.95	139.88
Canada (107)	142.90	-0.3	141.71	97.60	128.84	137.39	-0.6	2.44	143.28	140.95	97.49	128.65	138.14	145.31	114.33	114.33
Denmark (32)	275.79	0.1	273.50	188.36	248.66	252.63	0.6	0.90	275.39	270.91	187.38	247.26	251.25	275.79	195.66	204.43
Finland (22)	154.18	-0.4	152.90	105.30	139.01	179.09	0.3	0.66	154.85	152.33	105.36	139.03	178.50	154.85	65.50	67.20
France (99)	185.37	0.5	183.83	126.61	167.14	171.21	0.9	2.72	184.37	181.37	125.45	165.54	169.65	185.37	142.90	142.90
Germany (59)	136.18	-0.2	135.05	93.01	122.79	122.79	0.2	1.72	136.42	134.20	92.82	122.48	122.48	142.38	105.56	105.56
Hong Kong (56)	481.90	-0.2	477.90	329.14	434.51	477.88	-0.1	2.23	482.67	474.82	328.41	433.37	478.58	508.58	225.77	225.77
Ireland (14)	205.19	-2.0	203.49	140.15	185.02	201.50	-1.2	2.76	209.33	205.93	142.43	187.95	203.92	209.33	129.29	138.80
Italy (68)	76.42	1.2	75.79	52.20	68.91	96.49	1.6	1.70	75.53	74.31	51.39	67.82	95.00	78.93	55.21	59.13
Japan (469)	150.97	-1.5	149.72	103.11	136.13	103.11	-1.1	0.79	153.22	150.73	104.25	137.57	104.25	166.91	104.75	104.75
Malaysia (69)	512.71	3.7	508.46	350.18	462.29	547.17	3.7	1.33	494.33	486.29	336.35	443.84	527.46	621.63	261.34	261.34
Mexico (18)	2577.49	0.4	2556.08	1760.42	2323.97	8750.19	0.4	0.58	2567.22	2525.45	1746.75	2304.96	8715.30	2577.49	1410.30	1567.48
Netherland (26)	206.99	-0.2	205.28	141.38	186.64	183.57	0.2	2.89	207.43	204.06	141.14	186.25	183.16	207.43	153.15	153.15
New Zealand (14)	76.91	-0.3	76.28	52.53	69.35	71.40	-0.2	3.28	77.14	75.89	52.49	69.26	71.57	77.14	41.95	41.95
Norway (23)	203.12	0.1	201.43	138.73	183.14	205.56	0.5	1.24	202.95	199.65	138.09	182.22	204.61	203.12	138.48	140.01
Singapore (45)	354.94	-1.0	352.00	242.43	320.04	259.61	-0.8	1.59	358.54	352.71	243.95	321.92	261.60	378.92	213.57	221.50
South Africa (60)	259.26	3.0	257.10	177.07	233.76	249.75	2.8	2.29	251.76	247.66	171.30	226.04	242.94	280.26	160.78	162.57
Spain (42)	154.54	0.8	153.26	105.55	139.34	164.73	1.4	3.57	153.27	150.78	104.29	137.62	162.39	165.79	116.33	128.98
Sweden (36)	228.53	0.2	226.63	156.09	206.06	267.93	0.9	1.30	227.98	224.28	155.12	204.70	265.59	229.27	149.99	152.83
Switzerland (49)	175.48	0.0	174.02	119.85	158.21	158.12	0.6	1.38	175.44	172.58	119.37	157.52	157.22	175.48	108.14	110.73
United Kingdom (215)	214.96	0.3	213.18	146.82	193.82	213.18	1.1	3.38	214.41	210.92	145.89	192.51	210.92	214.96	162.00	165.34
USA (518)	196.04	0.5	194.41	133.89	176.75	196.04	0.5	2.67	195.09	191.92	132.74	175.16	195.09	196.04	170.29	180.99
EUROPE (744)	178.58	0.2	177.09	121.97	161.01	172.06	0.8	2.64	178.24	175.34	121.28	160.03	170.70	178.58	134.18	134.16
Nordic (113)	220.07	0.1	218.24	150.31	198.42	225.89	0.7	1.10	219.83	216.25	149.57	197.37	224.32	220.07	142.13	144.29
Pacific Basin (722)	163.81	-1.2	162.45	111.88	147.70	118.03	-0.8	1.05	165.73	163.04	112.77	148.80	117.01	168.80	109.44	109.44
Euro-Pacific (1466)	169.80	-0.6	168.39	115.97	153.10	137.70	-0.1	1.74	170.78	168.00	116.20	153.33	137.88	170.78	119.43	119.43
North America (625)	192.73	0.5	191.13	131.63	173.77	191.98	0.4	2.66	191.87	188.74	130.55	172.27	191.15	192.73	172.67	176.88
Europe Ex. UK (529)	155.73	0.1	154.44	106.37	140.42	147.91	0.6	2.16	155.51	152.98	105.81	139.62	147.01	165.73	115.10	115.10
Pacific Ex. Japan (253)	286.91	0.3	284.53	195.96	258.70	263.97	0.4	2.28	285.91	281.26	194.54	256.71	262.94	298.21	155.37	155.37
World Ex. US (1651)	171.65	-0.5	170.23	117.24	154.77	141.02	-0.1	1.75	172.51	169.70	117.37	154.88	141.15	172.51	120.63	120.63
World Ex. UK (1954)	175.26	-0.2	173.80	119.70	158.02	163.04	0.0	1.94	175.58	172.73	119.47	157.65	153.03	175.58	137.62	137.62
World Ex. So. Af. (2109)	178.25	-0.2	176.77	121.75	160.72	157.49	0.1	2.08	178.56	175.66	121.49	160.32	157.35	178.56	139.99	139.99
World Ex. Japan (1700)	195.20	0.4	193.57	133.32	176.00	190.99	0.6	2.59	194.45	191.29	132.31	174.59	189.85	195.20	159.44	159.98
The World Index (2169)	178.72	-0.1	177.23	122.06	161.14	158.25	0.1	2.09	178.97	176.06	121.77	160.69	158.06	178.97	140.04	140.04

Latest prices were unavailable for this edition.